

The Global Newspaper Edited and Published in Paris...

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Soviet Said to Agree To Inspections of Europe Missile Sites

By James M. Markham... GENEVA — The Soviet Union has agreed to the principle of on-site inspection in the proposed removal of medium-range nuclear missiles from Europe...



Stephen Ledogar, left, head of the U.S. mission to NATO, welcomes Max M. Kampelman, the leader of the U.S. arms delegation, in Brussels on Thursday...

Reagan Admits Failure In Iran Policy, Vows to Improve Management

By Steven V. Roberts... WASHINGTON — President Ronald Reagan has acknowledged that his policy toward Iran had "deteriorated" into a trade of arms for hostages...

ON PAGE 3... George P. Shultz disputes the Tower report's assessment of his role in the Iran affair...

France has moved closer to its allies in its position on the Soviet arms proposal, Page 6.

post made Saturday by Mikhail S. Gorbachev, the Soviet leader. In the improving arms control climate, officials in Washington also said the White House had rejected a Pentagon suggestion that the Soviet Union be formally accused of preparing a nationwide satellite missile defense...

President Ronald Reagan said Thursday that an agreement with Moscow on reducing medium range missiles "is now within reach" and this is "a great moment of hope for all mankind..."

'Comeback Week' for Reagan Republican and Democratic Leaders Praise Iran Speech

By David S. Broder and Edward Walsh... WASHINGTON — Leaders of both parties have expressed the view that President Ronald Reagan has turned the corner toward political recovery by acknowledging responsibility for the failings of his Iran policy...

Despite Reagan Answers, Many Questions Remain

By David Hoffman... WASHINGTON — In his address on the Iran-contra affair, President Ronald Reagan ignored many questions raised by the Tower review board and largely blamed the board's verdict of failure in his White House on the actions of subordinates whom he did not name...

LATE NEWS

Solzhenitsyn Report Denied

MOSCOW (AP) — There are no plans to publish Alexander Solzhenitsyn's book "Cancer Ward" in the Soviet Union, the Soviet Foreign Ministry spokesman, Gennadi Gerasimov, said Thursday.

INSIDE TODAY

- GENERAL NEWS: The speaker of the House said he was ready to fight for an increase in taxes to reduce the U.S. deficit. Page 3. A New York biller bases his defense on a lover's confession that he had AIDS. Page 3. WEEKEND: Richard Eyre, British National Theatre director, talks to Robert Cushman. Page 7. SPORTS: Michael Jordan scored an NBA season-high 61 points for the Chicago Bulls. Page 17. BUSINESS/FINANCE: West Germany's economy will grow 3 percent in 1987, the Kiel Institute predicted in a surprising report. Page 11. Royal Dutch/Shell reported that fourth-quarter profit fell 12.8 percent. Page 13.



SNOW IN ISTANBUL — A woman walked through snow Thursday near Istanbul's Blue Mosque. The city was near a standstill in one of the worst snowstorms in years.

The Big Apple Caper: How to Steal a Cop

By William E. Geist... NEW YORK — This is all grossly unfair, and was carefully planned that way. Recruiting police officers has become quite competitive, and the Los Angeles County Sheriff's Department deliberately chose this week to recruit in New York, a time when the city is wet, damp and ugly and gripped by cabin fever and postnasal drip.

NEWS ANALYSIS

ordinates whom he did not name. The president did not acknowledge or address one of the chief findings of the Tower panel: that the national security advisers, Robert C. McFarlane and Rear Admiral John M. Poindexter and their aide, Lieutenant Colonel Oliver L. North, severely managed the guerrilla war against Nicaragua at a time when Congress had cut off military aid to the rebels, who are also known as contras.

For First Time, Soviet Says Inflation Exists: 0.5% a Year

MOSCOW — Inflation in the Soviet Union has officially averaged 0.5 percent a year since 1970, according to the first official statistics to be published here. The figures, reported in the Soviet press this week, imply the first official recognition that inflation exists, although the figure given appeared to observers to be low.

Pollard Case Hits Home In Israel

By Thomas L. Friedman... JERUSALEM — The sentencing of Jonathan Jay Pollard by a Washington court to life imprisonment for spying for Israel appeared Thursday to have awakened the Israeli public and government to the full human and diplomatic implications of the espionage affair.

Blame Case

See BLAME, Page 2



# Nairobi Court Presenting 'Ruby Ripoff, Part II,' a Drama of Cops and/or Robbers

By Blaine Harden  
Washington Post Service

**NAIROBI** — It was around midnight at the ruby mine when a Kenyan police inspector named Nguru ordered his men to begin looting.

"Today is the day of digging and carrying away the white man's stones," ordered Inspector Nguru, according to testimony in a Nairobi court. "If you are a Christian, throw your God away and prepare for the digging."

Constable Ibrahim Kisutuya, one of seven policemen at the ruby mine that night, recounted the words of his superior officer in court in Nairobi, adding that he and other junior officers did as they were told.

Thus began what officials at the U.S. Embassy in Kenya are calling "Ruby Ripoff, Part II." The ruby mine in question, one of the richest in the world, is owned by Elliot W. Miller, a U.S. geologist and investor.

The alleged looting of his mine has been dubbed "Part II" because it is the second time since 1974 that Kenyan officials have been accused of helping themselves to hundreds of thousands of dollars' worth of Mr. Miller's pale red gems.

In the case now before a court, ruby ore worth \$1.5 million is said to have been looted from the mine during three weeks in the summer of 1984.

Witnesses and suspected looters have testified that the theft of 26 tons of ruby ore was done with the encouragement and participation of Kenyan police who were supposed to be guarding the mine.

One witness, Lawrence Ngunya Mbugua, said he was drinking in a bar one afternoon when a Kenyan policeman came in and invited him to buy gunnysacks full of ruby ore at \$20 each. The witness said he and 50 other buyers recruited in the bar followed the policeman's directions and went to the mine at midnight on June 13, 1984, to buy the stones.

The case, in which Mr. Miller is seeking \$1.5 million and the return of his rubies from the Kenyan government, may well prove as embarrassing to Kenya as was the original ruby theft.

That incident took place in 1974, during the presidency of Jomo Kenyatta. Several powerful Kenyans of the day, including Mr. Kenyatta's wife, Mama Ngina, illegally took the mine away from Mr. Miller and an American partner. The two Americans were expelled from Kenya and President Kenyatta publicly called one of them a "hyena."

The seizure of the mine caused storms of protest from the U.S. Embassy in Kenya and soiled this East African country's reputation with foreign investors. After some

years of reflection, Kenya's government reconsidered.

It took the mine away from the Kenyans who had seized it illegally and offered Mr. Miller \$1.3 million in compensation for his losses.

In 1979, Mr. Miller came back to Kenya. He cannot speak to the press during the trial, but his lawyer, Byron Georgiadis, said that Mr. Miller, 48, returned to Kenya because he is an optimist.

Five years after his return, having invested \$600,000 in machinery and labor, Mr. Miller was ready to begin exporting rubies. His mine is situated in a corner of a Kenyan national park called Tsavo West.

Surrounded by scrub trees and herds of antelope, the Tsavo ruby mine sits atop a reef of corundum, the mineral that bears rubies. While the rubies are not highest quality, they are abundant and easily mined. One early estimate valued known deposits at \$5 million.

The current ruby case began in March 1984, according to court testimony, when Mr. Miller was inspecting his mine and a wall of earth fell on him. He was hospitalized for several weeks. When he returned to the mine in June, he discovered that his neighbor, a miner named J.K. Gitonga, had dug a tunnel.

"While Miller was away, Mr. Gitonga made a tunnel that hit Miller's reef of ruby corundum and Gitonga

started nibbling away at it," said Mr. Georgiadis. Mr. Miller's lawyer.

Kenyan law prescribes three years in prison for such trespassing, and Mr. Miller immediately complained to the office of the commissioner of mines. Twelve days later, Mr. Miller was pleased to see E.W. Mwangura, Kenya's minister for environment and natural resources, arrive at his mine, along with several mine commission officials and a senior police officer.

The minister ordered a police guard over the area, pending a survey to see what land belonged to Mr. Miller and what to Mr. Gitonga.

That was when the ruby ore began to disappear, according to court testimony. Mr. Miller was also barred from his own mine.

Before he could persuade the minister to order the police out, he alleges, six truckloads of processed ruby ore disappeared.

When Mr. Miller finally was allowed back into his mine, he testified that only 5 of 31 tons of processed ruby ore remained. Working with what the Kenyan police had left him, Mr. Miller processed those five tons of ore into 10 bags of ruby gemstones.

The rubies, however, went the way of his ruby ore. He

packed them on Oct. 4, 1984, loaded them in his car and was heading toward the town of Athi River, where he had planned to lock them in a safe. He took along an armed park ranger for security.

On the way, a carload of police stopped Mr. Miller, took him to police headquarters in Nairobi, questioned and released him. But they kept the stones.

Police in Nairobi later gave Mr. Miller's lawyer a receipt for the rubies. According to evidence presented in court, the only explanation the police have offered for the seizure is that they were acting on the orders of Kenya's police commissioner.

The Kenyan government has not yet presented its defense in court. But in documents outlining the government's case, state counsel Ole Keiwa denies the existence of the missing ruby ore.

In his examination of Mr. Miller, Mr. Keiwa asked the mine owner why, since his mine has so many valuable rubies, he stopped all digging after the alleged looting in the summer of 1984.

"I stopped mining," Mr. Miller answered, "because I came to the conclusion I was mining on behalf of the commissioner of police."

## In South China, Money Talks

### Anti-Western Drive Loses Steam as It Nears Hong Kong

By Edward A. Gargan  
New York Times Service

**GUANGZHOU, China** — Here in southern China, the frigid political gale from Beijing seems little more than a faint breeze, dissipated in a climate of brazen money making, spirited discussion and fashions that shout Hong Kong chic.

Relentlessly, national newspapers rail against the evils of Westernization, the political sins of making and spending money and the pollution of ideas from the likes of Sartre and Freud.

But in the city of Guangzhou, and to Shenzhen, down the Pearl River and only about 100 miles (160 kilometers) from Hong Kong, there are few signs that the political campaign against "bourgeois liberalization" means very much. There are even fewer signs that the country's new economic policies will still here.

The surrounding province of Guangdong "is a place that has been opened to the West earlier than the rest of China," said Li Zuoqing, the deputy editor of Yuecheng Evening News.

"These things came earlier," he said. "A lot of people here have relatives in the outside world. People here pay attention to the outside world."

"Every place is different," he

continued. "Every place has its own historical background. The people here are more open to the outside world, more relaxed. In history, our people were more like this."

Both Guangzhou and Shenzhen, a so-called Special Economic Zone created to attract foreign investment, are at the heart of the economic policies devised by Deng Xiaoping, the principal Chinese leader, to invigorate the country's economy. Western and Japanese management practices are spreading, private businesses are germinating, and the government is loosening its grip on economic activity.

On People's Avenue in Guangzhou, young men in tidy jackets and ties and women in crisp pastel cotton suits with subtle padded shoulders dart along the sidewalks to their offices. Restaurants, both private and city-owned, swell with lunchtime crowds and entrepreneurs flash their Great Wall credit cards with the deftness of a New York banker on an expensive account lunch.

"Each year since 1979, private enterprise has jumped," said Liu Xingya, who heads the Guangzhou Individual Labor Association, a group formed to protect the interests of private shopowners and

businessmen. "Private enterprise is more flexible than state enterprise. It's scattered in every part of the city. Private enterprise provides more small business, more service."

There are, Mr. Lin estimates, 150,000 residents engaged in some sort of private business, from the Changxin Fashion Shop with 40 employees to individuals who repair shoes on street corners.

The surge of private business has lent Guangzhou, a city of three million with a free-wheeling character that contrasts markedly with Beijing's bureaucratic stodginess. It has also helped to insulate the city and much of southern China, at least so far, from the political campaign against Western ways.

A Western diplomat in Guangzhou argued that the desire of Chinese leaders not to upset Hong Kong, for fear that investors will pack up and leave, is a shield hoisted by southern China.

"The south is using Hong Kong to fend off the north, to protect themselves from Beijing," the diplomat said. "If things get out of hand in Beijing and Hong Kong starts to get nervous, the south sure points this out to the north. Nobody wants to upset Hong Kong. And they save themselves in the process."



He Ben, owner of a shoe factory in Guangzhou, China, supervises one of his 18 employees. Mr. He started the shop in 1982, and it now produces about 20,000 pairs of shoes a year. The factory building also serves as the He family home and as a dormitory for the workers.

Despite the confidence exuded by many southerners, there remain limits on expression, in Shenzhen, a city that sprang from rice paddies in the last eight years, city officials

closed the popular newspaper, Shenzhen Youth Herald, for, among other things, calling for the retirement of Mr. Deng, 82. "The Youth Herald went against

## WORLD BRIEFS

### French Try New Treatment for AIDS

**PARIS (AFP)** — A French anti-AIDS unit has been injecting fresh white blood cells from healthy donors into patients suffering from acquired immune deficiency syndrome in an effort to strengthen resistance to other diseases, it was learned Thursday.

Heading the team is Professor Michel Boiron, in charge of hematology at Saint Louis Hospital in Paris. He said that the transfusions were from donors of identical blood groups to the patients, so there would be minimal risks of the white cells being rejected.

"In some respects," he said, "it is an effort to reconstruct a partial immunity among patients whose immune system has broken down." But Professor Boiron stressed that the transfusions, which have been carried out for the past two years, concerned only a very limited number of patients and it was too early to come to any conclusions on their effectiveness.

### Turkey Strikes Rebel Bases in Iraq

**ANKARA (AFP)** — About 100 Kurdish separatist guerrillas were killed and 100 others were wounded Wednesday in a Turkish air raid in Iraq, the Turkish press reported Thursday. There was no confirmation of the casualty figures from the Turkish government.

A government spokesman said Wednesday that 30 Turkish planes had attacked Kurdish camps near the northern Iraq towns of Sirat, Ez and Aramish, near the Turkish border. The spokesman said that the Turkish air strike, the third in Iraq since 1983, had been conducted with the consent of the Iraqi government.

Turkish troops have been carrying out operations against guerrillas of the banned Kurdish Workers Party in southeastern Turkey since a rebel attack Feb. 22 on a Turkish village in the province of Hakkari. Fourteen people were killed.

### Hospital in N.Y. Bars Warhol's Nurse

**NEW YORK (NYT)** — The private nurse who was assigned to Andy Warhol when he died last month will no longer be permitted to care for patients at New York Hospital-Cornell Medical Center in Manhattan, the hospital said.

Hospital officials refused to explain why they had taken the action, although they said Wednesday that their review of the case had raised questions about the nurse's performance.

Separately, the New York State Health Department said it was investigating whether any actions could have or should have been taken to prevent the artist's death at the hospital Feb. 22, a day after he underwent gall bladder surgery. The hospital has said that his condition was stable after the operation, but he suffered a heart attack while he slept.

### Cardinal Drops Manila Political Role

**MANILA (Reuters)** — Cardinal Jaime L. Sin, a key figure in the movement that deposed President Ferdinand E. Marcos in February 1986, said Thursday that he was giving up a direct role in politics, but would issue guidelines to Roman Catholic priests on the coming Philippine elections.

"Today, the repression is gone," Cardinal Sin said. "Freedom of speech and freedom of the press are back with us. There is no impediment standing in the way of the laymen in their task of restoring the temporal order."

Cardinal Sin, 59, called for the mass sit-ins by Catholics that led to the presidency of Corason C. Aquino.

### Paris Police Find Explosives, Hold 7

**PARIS (Reuters)** — The French police have found weapons and explosives stored in a basement in Paris and have arrested seven Middle East nationals, the Interior Ministry said Thursday.

A ministry official said that police officers found 16 kilograms (35 pounds) of explosives, two submachine guns and a pistol. The French capital has braced for attacks after the conviction last week of Georges Ibrahim Abdallah, a Lebanese extremist. Police sources said that those arrested were all Lebanese, but officials refused to say if they suspected a link with Mr. Abdallah, who was sentenced Saturday to life in prison for complicity in two murders and one assassination attempt.

### France Indicts 2 in Terrorist Killing

**PARIS (AFP)** — Two leaders of the extreme-left Direct Action terrorist group, Nathalie Menigon, 29, and Joelle Aubron, 27, were indicted on murder charges Thursday in Paris.

The two other members of the gang arrested Feb. 21, Jean-Marie Rouillan, 34, and Georges Cipriani, 35, were indicted on charges of complicity in the murder of Georges Besse. The president of the Renault automobile corporation, he was shot dead in Paris on Nov. 17. Three witnesses said last week that they saw Miss Aubron open fire on Mr. Besse while Mr. Menigon kept a lookout nearby.

French investigators are seeking to prove that the four Direct Action members were also involved in the assassination of General René Audran, a Defense Ministry official, near Paris on Jan. 25, 1985. The terrorist group claimed responsibility for both murders.

### Reagan Moves to Free Aid for Contras

**WASHINGTON (UPI)** — President Ronald Reagan acted Thursday to release a \$40 million installment of \$100 million in aid for the Nicaraguan rebels.

Mr. Reagan, in a memorandum that accompanied a report to Congress on the situation in Central America over the past two months, asserted that "there is no reasonable prospect of achieving a settlement without continued military pressure from the rebels, known as contras."

Under terms of the contra aid appropriation last year, the last installment of aid was conditioned on a presidential certification that efforts to resolve the turmoil in Nicaragua through negotiations and other peaceful means had failed. Under terms set at the time the latest aid package was approved, Congress has about two weeks to pass a resolution of disapproval, which would be a certain candidate for a Reagan veto.

### Travel Update

That International will begin flying to Auckland in December, and Air New Zealand has won the right to fly to Europe through Bangkok, New Zealand officials said Thursday in Wellington. (Reuters)

### Correction

The People column of Feb. 26 incorrectly described legal proceedings against Norma Kamali, the New York fashion designer. She was fined for having allowed workers to produce garments in their homes without permits, not for having employed sweatshop workers.

## Among the Contras, a Sense of Family Loyalty

By James LeMoyné  
New York Times Service

**LAS AMAKAS, Nicaragua** — As his troops prepared to patrol the jungle valley below their base camp inside Nicaragua, a top guerrilla field commander spoke of the seven years of war and revolution that he and many of his men had shared.

"War is hard and it changes you," said Renato, the commander of the rebel unit that a reporter traveled with here. "We have all suffered and we all know each other from years together."

Renato's account and those of several of his men provided a rare look at the mentality of the American-backed army of guerrillas who are known as contras, offering insights into how they view their movement, their commanders and their relationship with rebel civilian officials.

The accounts show that they have become more politically homogeneous and tightly knit than some outside analysts have suggested, growing from their origins as a small army organized by the U.S. Central Intelligence Agency into a large movement, known as the Nicaraguan Democratic Force.

The contras' close bonds and their highly personal relationship with their commanders indicate that they may be less open to outside

influence than U.S. State Department officials, leading members of Congress and rebel civilian officials who are trying to reorganize the contras have suggested.

Renato commands a veteran guerrilla battalion known as the San Jacinto Regional Task Force.

Most of these young men say they have left their relatives behind in Nicaragua, making their rebel unit the only family they have. Renato and his men spoke of having survived years of adversity, combat and the loss of friends in battle, mainly by relying on one another.

They made it clear that they consider the Nicaraguan Democratic Force to be the most authentic rebel opposition movement and that they intend to defend it against both rival rebel officials and the Sandinist army.

"We fought on the Atlantic coast and in the departments of Madriz, Boaco, Chontales and Jinotega, marching and fighting for the last four years," said one of Renato's sub-commanders, who gave his name as Saul.

"Two of my best friends died in my arms after an ambush in Chontales in 1984," Saul said. "It's hard, it gets in you. But we are all committed to this. We have made this army march."

The rebels appear to live on a diet of rice,

beans and river water, hoisting heavy packs and weapons over narrow mountain trails and marching for days at a time.

The guerrillas are aware of charges that they are dominated by former members of the Nicaraguan National Guard, the army that served Anastasio Somoza, the dictator who was overthrown by the Sandinists.

But among the contras, membership in the National Guard appears to hold little or no stigma. Renato spoke openly of his years as a National Guard lieutenant and the brutal fighting he was part of in the city of Lobo in 1979 before fleeing across the Honduran border with a handful of his troops to escape the Sandinists.

Those few rebels who are "founders" of the Nicaraguan Democratic Force, known in Nicaragua as the FDN, appear to hold special status. Renato is a founder. He says he joined the first small band of former National Guard rebels in 1980 and subsequently helped form the guerrilla army.

When told that critics assert that the former National Guardsmen are politically unpopular and do not deserve American support, Renato replied, "We are also Nicaraguans and we have the right to seek the well-being of our people."

## REAGAN: He Admits 'Mistake,' Takes Responsibility BLAME: Many Questions Remain

(Continued from Page 1)

that he was "hiding out in the White House."

The reason for his silence, he said, was his reluctance to come forward with "skeletal reports" and "thus create 'even more doubt and confusion' in the public mind."

"I've paid a price for my silence in terms of your trust and confidence," he said.

The latest New York Times-CBS News Poll backed up that point, showing that his public approval rating had dropped to its lowest point in four years and that half the people believe Mr. Reagan was lying when he said he could not remember when he approved the arms transaction.

Mr. Reagan praised the Tower panel for its report and acknowledged somewhat ruefully that he "had to hunt pretty hard to find any good news" in it. "I've studied the board's report," he said. "His findings are honest, convincing, and highly critical, and I accept them." He summarized his reaction this way:

"First, let me say I take full responsibility for my own actions and for those of my administration. As angry as I may be about activities undertaken without my knowledge, I am still accountable for those actions.

"As disappointed as I may be in

some who served me, I am still the one who must answer to the American people for this behavior. And as personally distasteful as I find secret bank accounts and diverted funds, as the navy would say, this happened on my watch."

In describing what he called the most controversial element of the Iran affair, Mr. Reagan mentioned that he had previously insisted that he did not "trade arms for hostages."

"My heart and my best intentions still tell me that is true," he said, "but the facts and the evidence tell me it is not."

Mr. Reagan also acknowledged another major finding of the Tower board, that his strongly felt emotions about the fate of American hostages in the Middle East had colored his judgment and blinded him to the risks of his policy.

As he noted, "I let my personal concern for the hostages spill over into the geopolitical strategy of reaching out to Iran."

The speech capped days of intense activity in the White House following the release of the Tower report. The report depicted Mr. Reagan as an uninformed and uninvolved leader who failed to exert proper control over the Iran-contra affair.

He has since tried to convey an impression of aggressive attentiveness to the details of government.

On Friday, he replaced his chief of staff, Mr. Reagan, with Mr. Baker.

On Monday, he withdrew the nomination of Robert M. Gates, the acting CIA director, as director of central intelligence. His nomination had faced stiff Senate opposition because of the agency's involvement in the Iran-contra affair.

On Tuesday, Mr. Reagan replaced Mr. Gates as his CIA nominee with Mr. Webster of the FBI and announced a new initiative on arms control in the talks with the Soviet Union in Geneva.

On Wednesday night, he acknowledged the concern over his "management style."

"The way I work is to identify the problem, find the right individuals to do the job, and then let them go to it," he said. "I've found this invariably brings out the best in people."

But when it came to managing the National Security Council staff, he contended, "Let's face it, my style didn't match its previous track record."

In the weeks ahead, Mr. Reagan is expected to leave the White House more often to speak to groups in Washington and around the country, trying to recapture the sense of excitement and optimism that his presidency engendered in its first term, but which has been noticeably absent since his re-election campaign.

(Continued from Page 1)

trade of arms for hostages, he said: "I asked so many questions about the hostages' welfare that I didn't ask enough about the specifics of the total Iran plan."

By contrast, the Tower board found that Mr. Reagan was aware of the weapons sales from the early eight years as California governor and for "most of my presidency."

In his address, Mr. Reagan seemed to embrace the Tower board's criticism that people — not the national security decision-making process — failed.

Mr. Reagan celebrated the "accomplished and highly respected" new team he had brought in, taking pains to praise Howard H. Baker Jr., the chief of staff; Frank C. Caviglioli, the national security adviser; and William H. Webster, his nominee to head the Central Intelligence Agency.

The president did not, however, offer dramatic remedies in response to the Iran-contra debacle.

He said he is "adopting in total" the Tower board's "model of how the NSC process and staff should work."

### French Court Delays Hearing on Duvalier

The Associated Press

**GRASSE, France** — A court postponed a hearing Thursday on an attempt by the Haitian government to recover \$120 million from the former president, Jean-Claude Duvalier, after his lawyers argued that they needed more time to prepare a defense.

Haiti contends that Mr. Duvalier embezzled the money over a period of 15 years before his flight from the country last year. After meeting briefly Thursday, the court delayed the hearing until May 7.

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# Wright Set To Fight for Tax Rise to Curb Deficit

By Jonathan Fuerbringer  
WASHINGTON — Representative Jim Wright, the speaker of the House, has told Democrats on the Budget Committee that he is ready to fight for a tax increase this year to reduce the U.S. deficit even though President Ronald Reagan is expected to oppose higher taxes.

According to committee members, Mr. Wright said Wednesday that he expected his proposed tax increase to be about \$20 billion a year, which would make it account for half of the \$40 billion deficit-reducing package the committee is trying to assemble.

The commitment from the speaker, who has been suggesting ideas for tax increases for several months, reflects his willingness to push his party toward approval of new revenue to reduce the deficit. Committee members said that the Texas Democrat made his declaration in an hour-long closed session Wednesday.

While Mr. Wright's support does not assure approval of a tax increase, it is the first step toward changing the policy of the majority party in the House. For the last several years, Democrats have been unwilling to consider tax increases if the president opposed them.

Another committee member said, "There's no question the speaker has decided that we cannot hang back any longer on taxes." This is the first time that Mr. Wright has said unequivocally that he is willing to fight for a tax increase to balance the budget.

Even with a tax increase, Democrats have already acknowledged they are unlikely to reduce the deficit for fiscal 1988 to \$108 billion, the figure required by the 1985 budget balancing law. To comply with the law, budget cuts and new revenue would have to total \$62 billion, an amount considered politically unrealistic.

Over Iran Arms, and the London Standard's "He's Off the Hook." The liberal daily The Guardian, which is often critical of Mr. Reagan, said he had exceeded the expectations of his closest friends in Washington by declaring, "I take full responsibility."

Most foreign ministries refused immediate comment. British and French officials said they would not comment on what they regarded as a U.S. domestic matter.



President Ronald Reagan delivering his televised address on the Iran-contra affair.

# Meese Moves to Sidestep North's Suit

He Names Walsh to 'Parallel Position' as Investigator  
WASHINGTON — Attorney General Edwin Meese 3d appointed the special prosecutor in the Iran-contra affair, Lawrence E. Walsh, to an identical position Thursday in an attempt to sidestep legal challenges to the investigation.

Mr. Meese announced that the Justice Department had joined a move by Mr. Walsh to throw out Lieutenant Colonel Oliver L. North's constitutional challenge of the independent counsel law. Colonel North, the former National Security Council official who has filed a suit to try to halt Mr. Walsh's criminal investigation of the affair, had challenged the independent counsel clause of the 1978 Ethics in Government Act.

The motion was filed a day after Mr. Meese, in an appearance before the Senate Judiciary Committee, expressed "serious concerns" about the constitutionality of the independent counsel law. The panel's chairman, Senator Joseph R. Biden Jr., Democrat of Delaware, said Mr. Meese's failure to back the law squarely on constitutional grounds "will seriously undermine the credibility of the department and the independent counsel."

Senator Howard M. Metzenbaum, Democrat of Ohio, said that if Mr. Meese did not defend the constitutionality of the law, the perception of the American people is going to be devastating to the administration.

Based on comparisons of the Senate and the Tower commission reports on the Iran-contra affair, congressional investigators are seeking a full account of the events of May 15, 1986, to determine if President Ronald Reagan knew of plans to divert Iranian arms payments to the Nicaraguan rebels, known as contras. The Associated Press reported from Washington.

Mr. Reagan has said he had "no knowledge whatsoever" about the diversion until Mr. Meese discovered it in November. He said in a national television broadcast Wednesday: "I didn't know about any diversion of funds to the contras."

Sources on both the special House and Senate committees that are investigating the Iran affair say that May 15 appears to be the most likely date on which Mr. Reagan could have been told of the plan. The sources declined to be identified by name.

# President Has Started Search for FBI Director

By Mary Thornton and Dusko Doder  
WASHINGTON — The Reagan administration has begun to consider possible replacements for William H. Webster, the director of the Federal Bureau of Investigation, who was nominated Tuesday to head the Central Intelligence Agency.

Administration sources said Wednesday night that although several names have been mentioned as possibilities, no choices have been made and none of the potential candidates has been contacted.

A favorite at the Justice Department is U.S. District Judge D. Lowell Jensen, 58, of San Francisco, who was deputy attorney general before being named to the bench in July. Judge Jensen, a Democrat, was a longtime prosecutor in Oakland, California, and has worked closely with Attorney General Edwin Meese 3d for many years.

Other possibilities mentioned included John Simpson, head of the Secret Service; Associate Attorney General Stephen Trotter; Rudolph W. Giuliani, the U.S. attorney in Manhattan; and Joseph E. diGenova, the U.S. attorney for the District of Columbia.

One name raised by some administration conservatives is William Lucas, 58, a Michigan Republican who tried unsuccessfully last year to become the nation's first black governor. Mr. Lucas, a former county executive and sheriff in Wayne County, Michigan, spent more than four years as an FBI agent in the mid-1960s.



William Lucas

Sources said that Mr. Lucas, a former Democrat who switched parties in 1985, is backed by Vice President George Bush, former President Gerald R. Ford and former Senator Paul Laxalt, Republican of Nevada.

Mr. Meese said at a congressional hearing Wednesday that the new FBI director should not be picked "on the basis of past political involvement," should not be a close ally of the president, and "should be capable of being confirmed rather quickly."

Under questioning by the chairman of the Senate Judiciary Committee, Joseph R. Biden Jr., Democrat of Delaware, Mr. Meese said he discussed the succession issue Wednesday with Mr. Webster, who he said would "actively participate" in the search for a replacement.

Mr. Webster, the FBI director for nine years, spoke to reporters after a brief meeting Wednesday during which he told President Ronald Reagan that he intended "to do the best job I can" in restoring CIA morale and imposing tighter supervision on the entire U.S. intelligence community.

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# Shultz Disputes Charges Of Role in Iran Affair

By William Drozdiak  
WASHINGTON — Secretary of State George P. Shultz disputed on Thursday the Tower commission's assessment of his role in the Iran-contra affair and denied that he sought to insulate himself from any knowledge of the affair to protect his integrity.

In an interview published Wednesday in the United States, Defense Secretary Caspar W. Weinberger also denounced the report's criticisms of his role.

The three-man commission, headed by John G. Tower, a former Republican senator from Texas, concluded that Mr. Shultz and Mr. Weinberger "in particular distanced themselves from the march of events."

Secretary Shultz specifically requested to be informed only as necessary to perform his job, the report said. "They simply distanced themselves from the program. They protected the record as to their own positions on this issue. They were not energetic in attempting to protect the president."

Mr. Shultz, making his first response to the report, said at a news conference: "I do not agree that my actions were designed somehow or other to make a record to protect myself. I don't operate that way."

Mr. Shultz said he was in Shanghai at the end of a five-day visit to China, that he was misled like the president by members of the National Security Council who orchestrated the arms-for-hostages deals.

That fact was acknowledged by the Tower commission, which noted that Mr. Shultz and Mr. Weinberger may be "somewhat excused" by the failure of the National Security Council staff to inform them of the covert arms trade.

Mr. Shultz said that there was "a lot of concern about leaks and even 'leak detector tests' at the time of the secret dealings with Iran. 'I took the position that I wanted to know what I needed to know and the department should know what it needed to know to do my job,' he added.

# New York Killer's Defense: His Lover Had AIDS

By Philip S. Gutis  
NEW YORK — In a seven-page handwritten confession, Lorenzo D. Owens, a 19-year-old homeless man charged with murdering a friend here last year, repeats one phrase several times: "I couldn't believe what he was saying."

Mr. Owens was referring to Kenneth Grice, 22, who was killed in his home April 20. According to Mr. Owens' account, what Mr. Grice had said, right after the two men had sex, was that he had AIDS.

The lawyer representing Mr. Owens, John R. Lewis, said it was those words, and the timing of the admission, that drove him to kill his friend.

Mr. Owens' statements have also raised the possibility that he took the law into his own hands to punish Mr. Grice for knowingly endangering his life.

Some legal experts said that, under some circumstances, knowingly transmitting a contagious disease could be considered a crime under assault and homicide laws.

White homosexual-rights advocates said person or exchanges of blood, as in shared hypodermic needles.

The case, which Mr. Lewis and the prosecutor, William J. Dempsey, expect to go to trial in Nassau County Court this month, is being watched by legal organizations that represent people with AIDS.

Political Role... Activists Held... Terrorist Killings... Aid for Cuba...

# U.S. Secrets Shown on Cover Of Foreign Service Journal

WASHINGTON — A photograph on the cover of the current issue of The Foreign Service Journal shows a readable copy of one of the U.S. government's most sensitive intelligence documents, according to government officials.

The Foreign Service Journal is not an official government publication. It is published by the American Foreign Service Association, a labor union and professional association for Foreign Service employees at the State Department.

The document is a copy of the National Intelligence Daily, which is produced by the Central Intelligence Agency in traceable, numbered copies exclusively for the president and a small circle of officers with top-secret clearance.

# Drug Production Rises Worldwide, U.S. Finds

WASHINGTON — Worldwide production of heroin, cocaine and marijuana increased significantly last year, despite U.S. enforcement efforts that included nearly \$60 million in drug enforcement assistance to supplier countries, according to a State Department report.

Ann Wroblewski, the assistant secretary for international narcotics matters, said Monday that Mexico and Pakistan continued to be trouble spots.

# U.K. to Permit Sale of AZT, Drug To Treat AIDS

LONDON — Wellcome PLC, the London-based pharmaceutical company, said Thursday that it planned to sell an anti-AIDS drug, AZT, in Britain by early May.

The government approved Wednesday the company's request to market the drug zidovudine, which prolongs the lives of some AIDS victims, under the name Retrovir. AIDS, or acquired immunodeficiency syndrome, is a viral disease that cripples the body's immunity system.

# U.S. Judge Rules 'Secular Humanism' Is a Religion

By Barbara Vobejda  
WASHINGTON — A federal judge in Mobile, Alabama, has banned more than 40 textbooks from the Alabama public school system because he said they promoted the "religion" of "secular humanism."

The books banned are generally conventional classroom texts, including series by Rand McNally and Laidlaw, among other publishers.

# Alabama Civil Liberties Union, Which Helped Defend the Books

The defense attorney, William A. Bradford, said it was the first time a federal judge had prohibited school boards from using specific books.

The ruling is "nothing less than government censorship of the school curriculum and a dangerous attempt to set up the sectarian beliefs of one group as a measure of what may be taught," said John Buchanan, chairman of People For the American Way, which arranged legal assistance for the defendants.

# Death Notices

The Family of MARIA Mc DONALD JOHNS, deeply regrets to announce her death on March 4 at the age of 94.

FERNANDO FERNHOUI, on March 1, suddenly, in Jerusalem, John, dearly beloved husband of Julia, father of beloved daughter, Mrs. P.O. Box 20240, Jerusalem, Israel, and of Harriet, 5, 7351 TA, Hoelderico, Holland. Funeral in Jerusalem.



INTERNATIONAL **Herald Tribune**

Published With The New York Times and The Washington Post

**He Can, If Only He Will**

President Reagan gave the right speech Wednesday night. That he did not need his garments, tear his hair or otherwise engage in the rituals of mortification that had been prescribed here and there is neither surprising nor even especially to the point. For the president did what he had to: He admitted plenty, and he pledged to redeem the damage in his final two years in office. Mr. Reagan sort of ran by his own early contributions to the misleading of the public, but he did not really hide. He acknowledged almost all the severest charges of his critics, and on one allegation (that he must have known more than he has claimed about the diversion of funds), he can cite the Tower commission report, which found no evidence he had been informed of it.

There will no doubt be further probes into the question of how much the president actually knew about the contra contraband. And the evidence on the Iranian dealings can be construed to imply a far greater degree of knowledge on the president's part than he admits about the attempted arms-for-hostages trade. But Mr. Reagan has gone a very long way to conceding error, less in his explicit assertions of personal shortcoming than in the implications of what he has pledged to do.

The president has implicitly conceded much by the very act of accepting the Tower report ungrudgingly, commending its principals and accepting its recommendations. He tells us with satisfaction that Frank Carlucci is rebuilding the National Security Council staff "with proper management discipline" and that "almost half of the NSC professional staff is comprised of new people." He said he had told that staff: "I wanted a policy that was as justifiable and understandable in public as it was in secret. I wanted a policy that reflected the will of the Congress as well as the White House. And I told them that there'll be no more free-lancing by individuals when it comes to our national security." He said: "I have ordered the NSC to begin a comprehensive review of all covert operations. I have also directed that any covert activity be in support of clear policy objectives and in compliance with American values." And he said: "I have issued a directive prohibiting the NSC staff itself from undertaking covert operations — no ifs, ands or buts."

In the people he has named to replace those who are gone — Howard Baker, Frank Carlucci, William Webster — he has also said a lot about the deficiencies of the

policies and practices they are meant to repair. Mr. Reagan's stress on how former Senator Baker will work with Congress, how Mr. Carlucci will avoid the unguided free-lancer's trap, and how Judge Webster "understands the meaning of 'rule of law'" said as much about the past that Mr. Reagan regrets as about the future he promises. The question of how, and how well, Mr. Reagan now will engage in the important business of his presidency lies outside the terms of this speech. But he has acknowledged enormous error and chosen the right people to help him avoid any repetition.

In choosing William Webster, director of the FBI, to be director of central intelligence, the president has again gone outside the circle of longtime Reaganites, this time to someone appointed to the FBI from the federal bench by Jimmy Carter. The bureau at that time was all too appropriate a place to learn of the real and potential abuses of power wielded in secret. Mr. Webster picked up his share of criticism for some of the decisions he made in nine years, a sign that he was making hard decisions. He also acquired a reputation for personal integrity and experience in fixing a troubled agency — the two things Mr. Reagan needs most at the CIA right now. He is a first-rate choice. Mr. Webster would appear to have the classical intelligence chief's mandate, one sometimes more honored in the breach, to play it straight on intelligence analysis and to keep operations under firm control. He arrives at the agency without the conspicuous commitment to certain activist lines of foreign policy that his predecessor, William Casey, brought to the job. The quality of being "policy-neutral," which he believes right for the next FBI director, would seem to apply to him at the CIA. Nor does he have Mr. Casey's bull-in-the-china-shop bureaucratic style or his record as a close political associate of the president.

Mr. Reagan now has a fit foreign policy team. Its members all have independent stature, are experienced Washington hands and have a claim to be taken seriously, abroad and at home. It puts the president in a position to return to the model of cabinet government that he espoused when he entered the White House. The model broke down: Not all the people were right for it, and Mr. Reagan let the reins go slack. His lieutenants cannot govern without him, but with them he can govern, if he will.

— THE WASHINGTON POST.

**A Mirage in the Mideast**

Even for the Middle East, home of paradox and complexity, the subject bubbles with contradictions. Israel's foreign minister, Shimon Peres, eagerly promotes a Middle East peace conference that he does not expect to materialize. Prime Minister Yitzhak Shamir strongly disavows his foreign minister's effort. And the Reagan administration, though it also has reservations, says the idea should be explored. Mr. Shamir and Mr. Peres may be feeling their way toward a breakdown of their coalition government and a showdown at the polls. Doubtless the U.S. State Department expresses interest in a conference as a way of disguising the fact that the Middle East peace process has stalled. These games would be troubling if there were clear value to an international conference now. But there is not; all the contradictions can be understood mostly as harmless wind.

Moderate Arabs, to whom the conference was designed to appeal, still want it to be more important than direct talks with Israel. The Soviet Union, whose imprimatur is integral to Arab participation, will not come close to meeting Israel's conditions for participating. The Israelis will not compromise on such conditions. The Reagan administration has its hands full. An Arab-Israeli war seems remote. The conference, in short, can wait.

Initially, Mr. Peres proposed the idea as a fig leaf for Jordan's King Hussein. The king argued that he could come to face-to-face talks with Israel only after a more general meeting under a United Nations umbrella. Fine, Mr. Peres said, though with provisos. One was that the Soviet Union first resume relations with Israel. Another was that such

a conference have the power only to bless direct bargaining between Israel, Egypt, Jordan and non-PLO Palestinians. The king demanded that any of the parties could call the conference back into session to resolve issues. Thus the deadlock.

Mr. Peres, however, would not give up. The conference was his major peace effort during his term as prime minister — and perhaps his ticket back to that job. Mr. Shamir, who has just begun his term as prime minister, regards such a conference as a potential disaster. It could be used by radical Arab states and Moscow to isolate Israel and to pry concessions without genuine direct bargaining between Israel and its Arab neighbors.

Mr. Shamir also calculates, probably correctly, that he could beat Mr. Peres on this issue in a general election. Without King Hussein promising serious direct talks, Mr. Peres would find his case hard to make. And there matters stand in Israel and Jordan.

Meanwhile, time passes, not necessarily for the worse. King Hussein has time to increase his economic and political presence on the West Bank and weaken the PLO there. Other moderate Arabs need time to clear their heads about the possible effect of the Iran-Iraq war.

Only when Hussein and his backers feel strong enough to seek peace directly with Israel will Israeli politics contain compromises on the West Bank. That was Anwar Sadat's insight, and it still holds. Only then might a carefully constructed international conference provide the correct vehicle for movement toward peace.

— THE NEW YORK TIMES.

**What the Italians Want**

With Prime Minister Bettino Craxi's resignation, it is back to a familiar future in Italian politics. Can the Christian Democrats, Italy's biggest party, cobble together a coalition under five-time former Prime Minister Giulio Andreotti? Or will Mr. Craxi's Socialists demand too many cabinet seats, dissolve a five-party coalition and force early elections? Will all this revive traditional deadlock, or can Italy now institutionalize modern Craxi-style leadership? For three refreshing years, Mr. Craxi defied the axiom that Italy is a multiparty democracy under one party rule. That he bungled on longer than any other prime minister since 1945 is less striking than the success of his Socialist-led coalition. Inflation plunged and growth climbed, aided by lower oil prices, though taxes and deficits remain high. A NATO loyalist, Mr. Craxi won cheers on the left by standing up to

Washington in the Achille Lauro affair. Yet he jailed terrorists and drug lords and encouraged decentralized politics. What has not changed is the essential balance among the three main political blocs. Communists, Christian Democrats and four smaller parties each attract a third of the vote. What has frustrated the Socialists, one of the four, is their inability to profit from Mr. Craxi's popularity; their vote seems stuck at 12 percent. That is why they want to increase the strength of the secular center.

Will Italy change the rules to strengthen the Socialists and the small centrist parties at the expense of the dominant Christian Democrats? The safe surmise is that after three years of Mr. Craxi, his rivals are eager to resume the old ways of collusion and drift. The question now is whether the voters also want to return to immobility.

— THE NEW YORK TIMES.

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**OPINION**  
**The Folly of Assuming That War Will Never Happen**

By John F. Ahearne

WASHINGTON — The real strategy of the U.S. Defense Department seems to be that War Will Never Happen — or at least not for the next few years. This has never been openly stated in the volumes of congressional testimony proffered over the last decade, but it is like the steel framework of a concrete structure: invisible but necessary to hold up the building.

It is prudent to consider other uses for military equipment. In 1907 the Great White Fleet, as the American Navy was called, sailed around the world to "show the flag" and impress other nations. Today's planned 600-ship navy appears to be slated for the same role. Similarly, an exciting new bomber, highly touted for its ground-hugging ability and sophisticated electronics, can be used to impress friends and enemies, even if it would not work in wartime. WWHN leads to emphasis on symbols rather than on the training of existing forces or on buying ships and planes with the more mundane role of lifting American forces overseas.

The Pentagon philosophy of WWHN makes it wise management to underfund readiness, keep ammunition stockpiles low and not be overly concerned whether a weapon system works before buying it in large numbers (the B-1 is an example). It is wasteful to prepare for war if war will never happen.

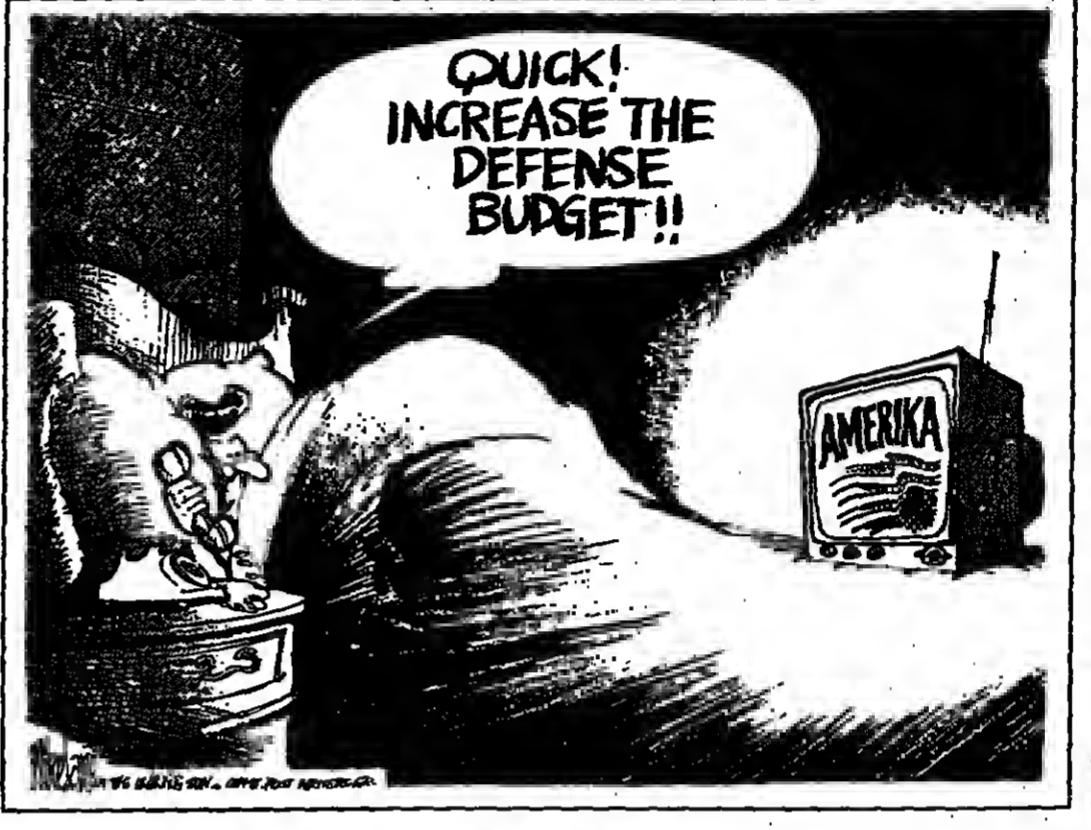
Unfortunately, some elements of the military (and probably the public, which funds the huge defense budget) still believe the United States should be able to fight. Such beliefs are shaky by tests. In 1973, Defense Secretary James Schlesinger ordered the department to conduct a major exercise to test U.S. capability to rapidly reinforce Europe. Rising oil prices and military objections that such an exercise was unnecessary led to a paper exercise, where all the plans were tested but no forces actually moved.

The result was so bad that the Joint Chiefs of Staff sponsored a major exercise to prove that in fact U.S. mobilization and deployment planning were adequate to meet the demands of a possible war in Europe. The 1978 Nifty Nugget test was a disaster. Since then many more tests have been run, trying to get the system into shape.

**'Amerikans' And the Rot From Within**

By Benjamin R. Barber

PRINCETON, New Jersey — Behind the layers of soap opera cliché, turgid plotting and Cold War demagoguery of the much debated but little watched television series "Amerika" lurks a moral: The domain of the citizen is vanishing in America, and in its absence democracy is becoming more vulnerable — not to wolves wearing red stars and preying from without but to atrophy and petrification from within.



Unhappily, the producers and the writer-director, Donald Wrye, did their utmost to conceal this telling lesson, burying their moral in a morass of ideological contradictions that taught quite contrary lessons.

For every me culpa in their debate about the demise of democracy, there were a dozen self-exculpatory fingers pointing to external villains: fifth columnists who sell America down the river to realize their fellow-traveling liberal agendas, jackbooted East Germans using a perverse facsimile "United Nations" to club the resisting nation into compliance, skillful Soviet advisers sweet-talking the doubters into servitude.

Yet liberty once lost is rarely regained. To make selfish individuals out of citizens is easy, to make them back into citizens equally impossible. Jean-Jacques Rousseau complained about his own century: "We have forgotten how to pledge allegiance to the flag but because they have forgotten the meaning of citizenship. History suggests that free republics rot from within before they are dispatched from without."

It was not the Spartans who wrecked Athenian democracy nor the Visigoths who brought down the Roman republic. Alexander Kerensky's Russia, Spain under the Republic and Weimar Germany self-destructed, for democracy expends itself as it functions. It depends on a noisy, fractious and self-critical politics, which in turn demands an extraordinary degree of civic resilience and public spirit. These traits are usually thought to be incompatible with great wealth and inequality, with extended empire and an exclusively private pursuit of individual happiness.

Somewhere in his soul, Mr. Wrye may have wanted to make a film about citizenship, spathy and the imperatives of civic responsibility. "If democracy perishes," he seemed at moments to say, "it will be our fault." But the message that sneered forth from his sleeping bethemo was quite otherwise. That message was: "It is their fault — the

Russians and Communists and liberals and fifth columnists and disarmers and do-gooders who have stolen our liberty. To get it back is to wrest it away from those bogy-men."

country, the setting of the public trust into private hands, the transfer of prisons, hospitals and schools to private profit groups, the redefinition of public responsibilities, such as welfare and support for the arts, as private functions. And what remains of the public domain they leave to politicians and bureaucrats, complaining only when zealous like Lieutenant Colonel Oliver North run amok.

The protagonists of "Amerika" prattle a great deal about what it means to be an American. And why not? It isn't so difficult to be a patriot anywhere: You sing a national anthem and pledge allegiance to the appropriate flag. But how to be a citizen in a nation that no longer conscripts soldiers and expects no more than an occasional visit to the polls by its otherwise self-occupied subjects is a more difficult question.

**So Much for All That Progress on Debt**

By Benjamin J. Cohen

MEDFORD, Massachusetts — Here we go again. Third world debt is back in the headlines following Brazil's decision to suspend all interest payments on its foreign bank loans. And once more, leading American bankers are bawling to assure us that there is nothing to worry about. Overall, the Third World debt situation is getting better, we are told.

companied by yet more oed money to pay the interest on old loans. It will be solved only when bankers see the Third World debt situation for what it truly is — a long-term dilemma of economic solvency, not just a short-term liquidity squeeze. That would be real progress.

to see light at the end of the tunnel. But what Brazil is telling us is that once again declarations of victory over the debt problem have turned out to be unhappily premature.

**As Brazil shows, there are no 'quick fixes' for the debt problem.**

not worse. Said the chief executive officer of one of New York's leading banks: "The vitality of these countries has improved. We've made great progress."

Some vitality. Some progress. Upeat words in no way reflect reality in these countries. Brazil is only the latest debtor to encounter renewed difficulty in meeting its servicing obligations. Ecuador also slipped into interest arrears last month. Many others, including Argentina, Nigeria and the Philippines, remain bogged down in protracted rescheduling negotiations. The only progress made has been by the banks themselves in reducing their loan exposure in relation to their own capital. But that is no solution to the debt problem, merely a defensive measure.

A more durable solution would be to provide significant debt relief to reflect each individual country's underlying capacity to pay. The direct approach would be to negotiate, case by case, a ceiling on future interest payments. It could be tied to various factors: export earnings, incentives for new capital formation, improved economic management by debtor governments.

**When the Polygraph Lies: A Story About McFarlane**

By William Safire

WASHINGTON — While poking into the motivations of the former national security adviser, Robert (Bud) McFarlane, I tripped over a story that took place in 1982 in which The New York Times played a part. Because I was not privy to the Times's role, and because recent leads came from people outside the paper who share my outrage at "lie detectors," I feel free to tell it now.

On Oct. 24, 1982, Philip Taubman of The New York Times filed an exclusive story. Headline: "U.S. Aides Spy British Spies Give Soviet Key Data." Citing "American sources," he wrote that the British had refused to reveal a serious security leak by a Soviet agent, Geoffrey Arthur Prince, at the main electronic intelligence center in Cheltenham.

Members of the National Security Council staff were told to volunteer for polygraph tests because administration stalwarts, Caspar Weinberger, Frank Carlucci and William Casey, were fervent believers in the accuracy of "lie detectors."

One of those who were tested was Lieutenant Colonel McFarlane, who was then serving as Mr. Clark's NSC deputy. He failed the polygraph test. The stunned colonel said there had to be some mistake. He was certain he was not the source of The Times's story; he asked for another test. The polygraph examiner, who was aware that a loyal military officer could be ruined by the results, conducted the second test with extraordinary care.

Bud McFarlane flunked again; the examination branded him a liar and jeopardized his career.

In desperation, he called the publisher of The New York Times, Arthur O. Sulzberger, who happened also to be a former marine. He said nothing of the polygraph tests, but said he was sure he was not the source of the story. Could The Times cor-

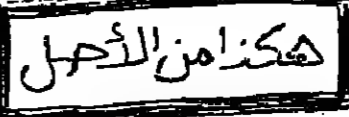
**IN OUR PAGES, 75 AND 50 YEARS AGO**

**1912: Strike Continues**  
LONDON — The coal strike is still unsettled. Avenues of the negotiation were kept open by meetings in London of the Industrial Council in the morning (of March 6) and of the miners' executive at night. It is asserted unofficially that the Government has authorized the Industrial Council to find a settlement. Paralysis continues to creep over the industry of the country. There were about 450,000 workers in other trades unemployed as the direct result of the strike. There was an outbreak of violence at Sunderland, where a crowd raided a coal depot, overthrew the watchman, and carried off the contents of three coal wagons. (But the striking miners are peaceful. In many districts they are devoting their energies to football, pigeon-lying and kindred amusements. There is some "stop-the-strike" talk from Derbyshire.

**1937: 'Old Bolshevik'**  
MOSCOW — Nicholas Bulbarin and Alexei Rykov, two "old Bolsheviks," were expelled from the Communist party (on March 5) on the decision of the Central Committee because of "anti-party" activity. Mr. Rykov was Communist for the first or in Lenin's first Cabinet in 1917, and was later President of the Council of People's Commissars. Mr. Bulbarin was quietly removed from the editorship of "Izvestia," the organ of the Russian government, early this year. He was formerly editor of the Communist party organ, "Pravda." Last August the names of both were dragged into the trial of Grigori Zinoviev (who was found guilty and executed that month). They were said to have approved of the alleged Trotskyist plot to kill Stalin, but were later exonerated by the State Prosecutor, Andrei Vishinskiy.

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OPINION

Soviet Hero, American Goat: Why Isn't Anyone Laughing?

By A.M. Rosenthal

WASHINGTON — Born with the gift of laughter and the sense that the world was mad. Both would help a lot these days. It is an old swashbuckling phrase from the author Rafael Sabatini. But it comes to mind now when I compare what is taking place in Moscow and in Washington.

In Washington, Ronald Reagan, a democratically elected president, has been weakened and wounded day after day — for good cause, as Americans see things. He failed to protect the process of government in a free society. Mr. Reagan allowed his aides to engage in secret activities that were against the public interest. And he deceived the public, proclaiming one policy about terrorism and practicing another.

Reagan on the Ropes

LIKE a prizefighter who has been on the receiving end of too many up-kicks but craves the one last blow that will help him leave the ring in a blaze of glory, President Reagan stands helplessly in his corner, surrounded by his trainers and inhaling the aromatics of hope.

Politicians can convince themselves that they are loved, or indispensable, or that there is one more promise that needs to be redeemed, that the longer they stay around the more of their accomplishments will be inscribed in the history books. Tragically, the best of them often don't know when to quit.

The president can no longer face the grueling give-and-take of a press conference without the risk of disgracing himself by misstating facts, becoming pointlessly glib or uttering vacuous homilies. He is no better than a noble ruin. He should resign and turn over the reins of power to Vice President Bush.

— Ross Baker, political science professor at Rutgers, in the Los Angeles Times.

You abide by the rules of a free society or you pay, in huge measure. Meanwhile, in Moscow, a man who came up through the ranks of a police-state bureaucracy to become the ruler of his top aides from among the secret police, who never faced a public election and never will, delivers solemn lectures to his own people on how you can have democracy and still have discipline and order. And he summons diplomats, writers and artists from the world over to pay homage to his wisdom and bravery.

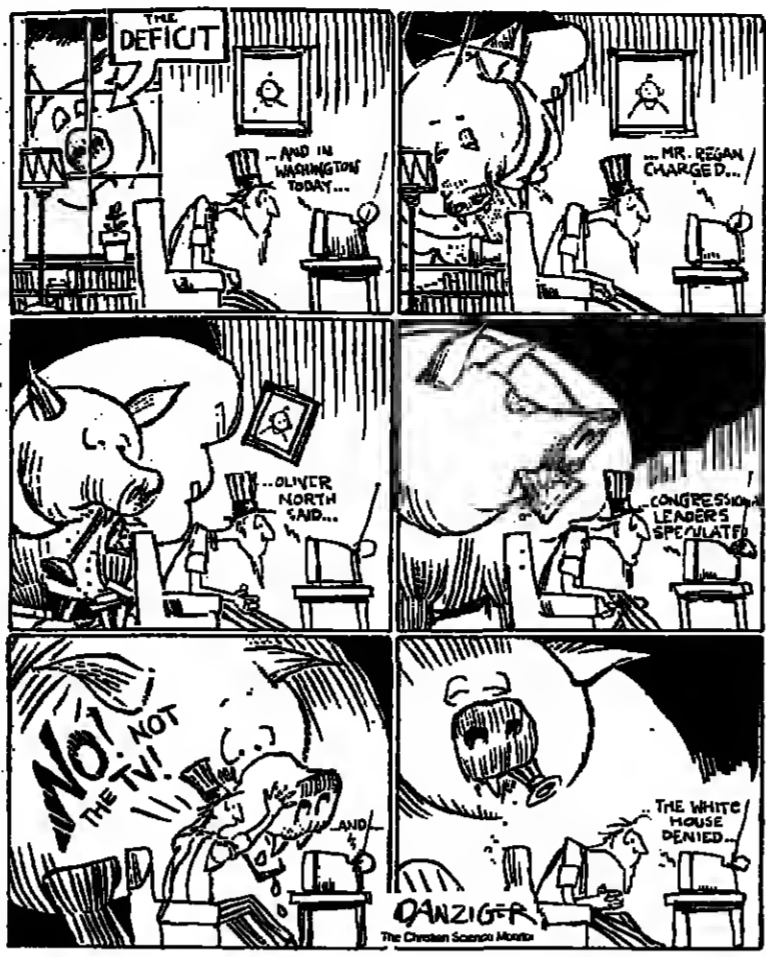
And they go; they go. And nobody cracks a smile or slaps a thigh at the wild honor of it all. Ronald Reagan, product of a free society, pays the price of violating its rules and ethics to free some hostages. And Mikhail Gorbachev, product and beneficiary of a totalitarian state, is canonized in his lifetime for releasing, at least temporarily, some of the large supply of Moscow's political hostages, prisoners who never should have been imprisoned. And with all the "openness" in Moscow not one word of criticism for the Soviet Union's foreign policy aggression against the Baltic in the Baltic in the '40s to Afghanistan today.

Yes, the solemn delegations meet all kinds of important Russians, all of whom agree one hundred percent with Mr. Gorbachev. Whatever happened to those who don't agree, the ones Mr. Gorbachev keeps calling stoic, old-fashioned and nondemocratic? Can we mention any of them? Can we talk to somebody from the old crowd who doesn't like Mr. Gorbachev, who is out of a job or headed for a gulag in the snow?

How did American and other intellectuals manage to keep a straight face about all the open discussion that was supposedly taking place in Moscow?

As far as I know, nobody was crude enough to get up and say yes, Russians are allowed to talk, but only about those things the government wants talked about. Allow me to criticize, but only the people and institutions the government has decided can be criticized.

Mr. Gorbachev is a hero all around the world. Meanwhile, in Washington, Ronald Reagan... Nobody mentions the ironic madness of it all. Is anybody else laughing? The New York Times.



LETTERS TO THE EDITOR

Australia and the Japanese

The Australian minister for resources and energy, Gareth Evans (Letters, Feb. 24), misreads me. What I said in "The Japanese Could Help Australia" (Feb. 10) was that Australia should ask the Japanese to bid for the right to manufacture in Australia the consumer goods that Australia now has to import at great cost to its balance of payments. I did not say the Japanese should compete for the right to sell into the Australian market.

I find it hard to understand the purist attitudes that say Australia should never in any circumstances offer foreigners incentives, including tariff incentives, to engage in local manufacture. Taiwan and South Korea have taken a much more realistic attitude. Already they have left Australia far behind in their range of manufacturing ability. It is only a matter of time before they outstrip Australia in terms of income per head. We have seen Australia's overseas

Free Exchange of Views

I was surprised to read in your Feb. 17 editorial "Mixed Eastern Signals" that the socialist countries were reacting to the current drive for greater openness and democracy in the U.S.S.R. "with a mix of apprehension and antagonism."

The Soviet Union is not going to teach the other countries its own ideas about democracy, because that would be undemocratic. It is good if some countries find the Soviet experience valuable and acceptable. If not, it is up to them. There is no denying the fact that democracy cannot exist without a free exchange of views. Anyone who reads Soviet papers cannot fail to see that they publish more and more articles by Western authors who argue with the Soviet point of view on many issues, including the vital problem of ensuring global security. I think this is convincing proof that we are not afraid of discussion.

On Feb. 20, for example, the daily Pravda reprinted from the International Herald Tribune an article by Professor Robert O'Neill about the problems of the Pacific region (IHT, Feb. 6). If we compare the number of articles by Soviet authors published in the International Herald Tribune with the number of publications by American authors in any Soviet newspaper, the comparison will hardly be in favor of the Tribune. GREGORY CLARK, Tokyo. MIKHAIL NAKORYAKOV, Novosti Press Agency, Moscow.

In Tanzania, a Woman Can Get Punched

By Eileen Stillwaggon

WASHINGTON — Punched: That is what a woman may get if she is too visible or independent at the University of Dar es Salaam, the national university of Tanzania. Not punched with a fist, but punched with intimidation, lies, public humiliation and shunning.

Nor are university women alone in such harassment. Tanzania can be a backward and nasty place for women. The leader of African socialism, Tanzania has made tremendous strides in feeding its people, in education and in health care. Yet its government allows the continuing subjugation of women.

The "punch" used to be a political tool by which students criticized state, party and university leaders who, in the students' view, had abused their positions or made bad decisions. Posters bearing a likeness of the person were placed around the campus, and the individual's "crimes" were reported. Several years ago the university expelled all radical students after their campus demonstrations spilled into the capital's streets.

The punch was taken over by a secret group of male engineering students. Since then it has been used exclusively to punish university women who are too visible, successful or outspoken. Sometimes a woman's only "crime" is to have refused sex to a member of the punch group. Or she may have attended afternoon tea in the university cafeteria, a privilege the men have reserved to themselves.

The woman's likeness and biographical information are posted, along with lies about her sexual relationships. She is shunned by women and men students, both for the fabricated charges and for fear of being punched themselves for not cooperating. The punch is very effective in terrorizing women students. A university woman rarely speaks in class. If she has an answer to a question, she whispers it to a man and bequeats it to the teacher. If a woman is compelled to speak in class, her answer is usually inaudible. Women walk on campus and board university buses with heads bowed, never daring to raise their eyes lest they appear too bold.

Not only does the university allow this ugly situation to continue, but some authorities clearly must be assisting the punch group. At a university where chairs and even textbooks are lacking, paper and ink are in short supply and copying equipment is strictly controlled, the punch group could not publish its attacks without help from one or more officials.

Punching is just one of the more blatant examples of official tolerance of, and complicity in, oppression of women in Tanzania. National military service is compulsory for all secondary-school graduates, male and female. Women told me that in the army they were frequently subjected to sexual harassment by the male officers, and those who refused to provide sexual favors were subjected to extra calisthenics and other punishment.

The legal position of women in Tanzania is about at the level it was in England and the United States in the late 1700s. Married and divorced women have no rights to property — even property brought into a marriage. Child-custody rights belong to the father. I knew of a woman whose husband was persuaded by his family to divorce her because the couple had had no children. Later they discovered that she had in fact been pregnant at the time of their separation. The father won custody of the unborn child even though he had abandoned the mother.

Newspaper reports of women beaten to death by their husbands were commonplace, yet I never saw mention of programs to alleviate the problem. Women are not permitted to join the Revolutionary Party (the only party), without the permission of the husband. Leadership in the government and the party is held by men. The one woman who emerged as a national leader from the independence era of the 1950s was purged and discredited long ago.

The role of females is established in childhood. I saw a family leaving a hotel; the woman carried two enormous suitcases and had a baby strapped to her back. The little girl struggled with a huge basket of clothes. The man carried a paper bag about large enough to hold an apple. The boy carried nothing. It is not news that in Africa women do most of the backbreaking work of feeding and sheltering the family, hauling water and wood, pounding grain, remodeling houses, hoeing, harvesting. It has been estimated that 80 percent of all work in rural areas is done by women. In most socialist countries the role of the state and the party in improving women's status is thought to demonstrate the political or ideological integrity of the leadership. But in Tanzania, the darling of European social democrats, the status of women and the party's role seems to be a non-issue. Tanzania is perhaps the most extensively researched country in black-governed Africa, yet in all of this literature there is relatively little on the subject of Tanzanian women. Also, economic policies seem to have no regard for women. As the primary producers in agriculture, they are especially hurt by government pricing policies that are squeezing the peasantry. The government newspaper, the Daily News, frequently has articles stressing that the appropriate place of women is in the home as wife and mother. One such article featured a photograph of Prime Minister Margaret Thatcher of Britain picking up the milk bottle delivered to her door at 10 Downing Street, with a caption praising her for keeping up with her wifely chores. The Revolutionary Party, Chama Cha Mapinduzi, uses popular culture to advance its message, and performances by the national dance troupe are a big attraction. I saw the group on several occasions: the visit of North Korea's vice president, the triumphal return of President Julius Nyerere after his selection as head of the Organization of African Unity, and the ceremonial running of the Mwenge, the torch that is the symbol of Chama Cha Mapinduzi. For such great occasions, the troupe has a repertoire of songs and dances that express modern themes on a traditional motif. Some are moving expressions of a people's love for their country. But most have a single theme, taken in its most physical meaning: Boy gets girl. At the end of almost every dance, the men jump on the women in an explicit, aggressive way (except, interestingly, before the North Korean visitors). It is supposed to be a big joke. Everybody laughs. The theme of male dominance is paramount. This is the message of the Revolutionary Party translated into art. Tanzania may be considered the leader of African socialism — and rightly so in view of that nation's many accomplishments — but its women still live under oppressive conditions. The writer taught economics at the University of Dar es Salaam as a Fulbright senior scholar in 1984-1985. She contributed this comment to The Washington Post.

GENERAL NEWS

In Palme Murder Inquiry, Some Swedes Feel That the Enemy Could Be Sweden Itself

This article is excerpted from The New York Times Magazine. By Richard Reeves

EARLY on the morning of Jan. 20, 200 Swedish policemen surrounded a number of houses in Stockholm and rounded up 20 men. "Three of these arrested," the police announced, "have been informed of the suspicion of being accessories to the murder of Olof Palme." The arrests climaxed an 11-month, \$6 million effort by a 300-member task force investigating the killing of the man who had dominated his country's politics for 20 years. Prime Minister Palme had led his Social Democrats to victory in three elections and was the most important Swede in the world. But he had also led the party to its only two defeats in 56 years and, because he was a political animal who honed his words to wound, he was hated by many of his countrymen.

Ten hours after the early morning arrests, the head of the investigation, Stockholm's police commissioner, Hans Holmer, and the chief prosecutor, Claes Zeme, appeared together before 250 reporters from 12 countries and announced to their stunned audience that the suspects had been released for lack of evidence. After that press conference, I walked from police headquarters around the corner to Mr. Zeme's office.

"Do you know who killed Olof Palme?" I asked. "We haven't the faintest idea," he answered. "Do you know what kind of person did it?" "No." "Do you know where he came from?" "No." "Do you know why he did it?" "No. The answer to all those questions is 'No.'"

Weeks later, as the first anniversary of the murder approached, the answers were still "No." The only change was the removal of Mr. Holmer as chief of the task force. The details of Mr. Palme's assassination remain fresh in the memories of Sweden's 8.3 million people. At 11:21 on the night of Feb. 28, 1986, a gunman stepped out in central Stockholm Sveavägen, a busy street in central Stockholm, fired two shots, then escaped. In the year since then, Sweden has been traumatized by the murder it can neither forget nor solve. As Swedes continue to come each day to lay roses on the site where Mr. Palme fell, they lay roses on the site where Mr. Palme fell, they lay roses on the site where Mr. Palme fell, they lay roses on the site where Mr. Palme fell.

The truth may be far worse than that Swedish people know now — or will ever know, if some top officials succeed in an attempt to block certain lines of investigation. A monthlong inquiry by Sweden (involving more than 100 interviews in Sweden and four other countries, produced strong evidence that the police and prosecutors may have been restrained and perhaps misled by their government, particularly the Foreign Ministry. While the police were chasing rightist pamphleteers and a violent little gang of Kurdish

Communists, some Swedish officials — including cabinet members — were coming to a more dangerous conclusion: that Mr. Palme died because of his clumsy involvement as a mediator in the Iran-Iraq war at the same time that Swedish arms makers were illegally shipping weapons to one side, Iran.

The complicated and secret weapons dealings in many ways paralleled the American transactions with Iran, and have raised the same kinds of questions about who in government knew what, and when. Regardless of who knew in Sweden, secret service agencies of other countries have offered the Swedish government information indicating that Mr. Palme's murder might be traced to his decision to block arms deliveries to Iran after illegal sales of surface-to-air missiles, howitzers and gunpowder became public in late 1985.

Beyond that, some members of the cabinet have concluded that the subsequent death of a second Swedish official — recorded as an accident by the police — was probably a murder linked to the Palme investigation and the same arms transactions.

That official was the Foreign Ministry officer responsible for approving all martial exports, a former admiral named Carl-Fredrik Algermon, who fell or was pushed in front of a subway train in Stockholm's Central Station on Jan. 15 — six days before he was to testify before a special prosecutor investigating the illegal arms shipments.

Many Swedes do not want to know the truth about what happened — for them it is over. There seems to be no thirst for news of revenge. That may be the ultimate Swedish decency. Prime Minister Ingvar Carlsson, an unobtrusive party and government functionary his whole adult life, has united most of the country — or calmed it. According to one poll, the Social Democrats have gone up 10 points in popularity since Mr. Palme's death. Neither are the friends of Mr. Palme driven by a desire for revenge or vindication. "His story is over," said Dieter Strand, a popular newspaper columnist and author of a biography of Mr. Palme. "I could never be quoted on this, but I hope they never find the murderer," said a friend in the current government. "It would trivialize Olof's life, vulgarize it. He would have to share history with a crazed assassin."

Then there is the powerful group, few and highly placed, including some in the Foreign Ministry and members of the current cabinet, who do not believe the assassin was crazy at all. Such people would not speak for the record, but a half-dozen in top positions expressed the belief — and the fear — that the truth might destroy confidence in both the government and the Social Democratic Party. They believe that Mr. Palme — and Mr. Algermon, too — were murdered because of Sweden's official and unofficial, well-meaning and profit-seeking, meddling in the Gulf war.

The Foreign Ministry, acting officially, stood between the police and any investigation that might have international implications. When approached by the police about information from foreign intelligence sources on an Iranian connection, the Foreign Ministry responded, "That is not plausible to this office." When other foreign sources pointed to Iraq, the police inquiry was limited to a search of hotel records



In the days after the death of Prime Minister Olof Palme, Swedes lined up at the site of the assassination to pay homage.

to determine whether anyone holding an Iraqi passport had registered during the week before the murder.

The trail of events that was effectively closed to investigators began in November 1980. Mr. Palme, who had been defeated in the 1976 election, was bored and irritable as opposition leader. He missed the world spotlight that had played on him as a vehement opponent of the Vietnam War. He jumped when Kurt Waldheim, then the United Nations secretary-general, asked him to try to mediate the war between Iran and Iraq, a year old at the time.

Until 1983, the year after he won re-election as prime minister, Mr. Palme continued to make trips to Iran and Iraq, shuttling between Tehran and Baghdad with an entourage from the Swedish Foreign Ministry. Many of those diplomats stayed on in the warring capitals. Their presence led to the later suspicion that the government must have known of weapons shipments to Iran by Sweden's great arms manufacturer, the Bofors group of Nobel Industries Sweden AB. Swedish law prohibits sales by Bofors and other private arms companies in "war zones" which by Swedish definition includes much of

the world, certainly the Gulf and the entire Middle East.

But Sweden is also a country that maintains its high standard of living — per capita income is 25 percent higher than in the United States — through foreign trade. Arms sales are part of that prosperity. Weapons may account for 5 percent or more of Sweden's annual exports of about \$45 billion, which is more than a third of its gross national product. The government has been known to look the other way on weapons sales, liberally granting export permits that certified that material was not headed for war zones.

Singapore was the favored shipping point for Bofors equipment, especially its highly regarded RBS-70 surface-to-air anti-aircraft missile system. From that port, the RBS-70s were sent on to — among other places — Iran, being transhipped a second time from Dubai or Bahrain. Then someone inside Bofors blew the whistle, disclosing information on the deals to peace groups on the left wing of Mr. Palme's Social Democrats. Details began to leak out about a series of shipments from October 1984 to May 1985, apparently all headed toward Iran.

Trainloads of Bofors gunpowder had been seized by customs officers in West Germany and Italy; other trainloads and perhaps naval cannons had gotten through by way of Austria, Yugoslavia and Singapore. Two hundred RBS-70s had been delivered to Iran, part of an order for 400 placed by the Iranian government. An additional 800 to 1,200 RBS-70s could not quite be accounted for, although they were known to have passed through Dubai and Bahrain. Directors of Bofors have insisted that the company has done nothing that was illegal — or that was not known to the government.

Mr. Palme, facing re-election in 1985, appointed a special prosecutor to investigate the sales. And he stopped the shipments — at least for a time. Specifically, he blocked the 200 additional RBS-70s that Iran had ordered. Also, according to sources in the French Foreign Ministry, the Swedish prime minister ordered a ship loaded with 155-mm howitzers stopped as it was leaving the port of Malmo bound for Dubai and then, it is believed, Iran. An Iranian military delegation came to Stockholm to protest the stopping of deliveries. That was on Feb. 4, 1986, three weeks before Mr. Palme's murder.

The Iraqis, of course, had protested the sales when they became public. They were also enraged by a program that the Swedes considered an act of humanitarian neutrality: Iranian war-wounded were being treated in Swedish hospitals for what the Iraqis said were the effects of poison-gas attacks launched by Iraq.

The arms investigation continued after Mr. Palme's assassination and eventually centered on the inspector of war materiel, Mr. Algermon. His testimony was scheduled for Jan. 21. He was working on it Jan. 15. His death that day was big news — the police initially said there were witnesses who had seen a man with his hands on Mr. Algermon's chest — but only one newspaper bothered to speculate on its possible connection with Mr. Palme's killing.

The next day the police announced that witnesses — there were at least two — who said that Mr. Algermon was pushed in front of the train were "mistaken." The case was closed. Mr. Algermon's name disappeared from the press.

BUT it did not disappear from cabinet concerns. Ministers were relieved by the police finding, but many did not believe it. The "murder" — and that was the word used by ministers — was discussed by the cabinet. The concern there was that it was part of a continuing threat to the nation that must be resolved. Not solved, but resolved.

A political assassination is, after all, a political event, a circumstance to be managed by politicians. One of those men, sitting in his office in Rosenbad, the seat of Sweden's government, looked out over Stockholm one recent morning and put it this way: "We know at this point that there is less than a 10-percent chance to solve the murder. That is not our problem. Our problem is what the people of Sweden believe happened and how they deal with that."

That leader does not know who pulled the trigger that ended Mr. Palme's life. I could find no one who does. What I did find in Rosenbad, and in other government offices, was national leadership determined to protect Sweden's critical international relationships and trade, as well as the standing of the government with its own people. Politically, solving yesterday's murder might not be worth the trouble it would cause today. "All we want now is for this to be over with, one way or another," said the man in Rosenbad. "We must get it behind us."

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Police Commissioner Resigns

A Stockholm police spokesman said Thursday that Mr. Holmer, who led the hunt for the killer of Mr. Palme, has resigned as the city's police chief, Reuters reported from Stockholm.

Mr. Holmer, who was removed from the Palme case last month after persistent disagreements with prosecutors, handed his resignation to Mr. Carlsson. The spokesman said that the resignation was accepted and that Mr. Holmer would give his reasons later. Mr. Holmer resigned shortly before he was to testify before a special parliamentary committee investigating the murder inquiry. Earlier witnesses, including Attorney General Magnus Sjöberg, were highly critical of Mr. Holmer's role and the way the government supported him earlier in the inquiry.







# WEEKEND

- Herbert Blomstedt, Conductor
- Medieval Treasury
- New Films from the East

International Herald Tribune

## CRITICS' CHOICE

### NEW YORK

#### Tribal Art of New Guinea

Since the turn of the century, German and Swiss explorers and ethnographers have played a key role in bringing the strikingly carved and decorated art of New Guinea's Sepik River basin to the attention of the Western world. The 700-mile river has many tributaries that tend to isolate tribal villages from each other, creating a rich diversity of art forms and expressions. The art fuses religion and daily life and combines spirit, animal and human worlds in elegant curvilinear shapes. "Art of the Sepik River" at the IBM Gallery of Science and Art (Madison and 56th) through April 25, was organized by the Tribal Art Center of Basel and includes more than 160 shields, ritual objects and food vessels. The show will also go to the Virginia Museum of Fine Arts in Richmond, the Denver Art Museum, the Heard Museum in Phoenix, and the California Academy of Sciences in San Francisco.



### LAUSANNE

#### Eating With the Eyes

Under the title of "A Manger des Yeux," the Musée des Arts Décoratifs has assembled a display of food as art. Exhibits range from the glossy magazine illustrations by the German photographer Reinhard Wolf celebrating the cuisine of Orient and Occident, to cookbooks from the 17th to 19th centuries, chocolate pyramids and Carême's spun-sugar monuments and other *pièces montées* reproduced by modern Swiss practitioners, Japanese plastic fake-food displays, sugar sculptures by the food artist Dorothée Selz, festive candles from Mexico and offerings to Balinese gods. Through April 5, after which it moves to the Bellevue Museum in Zurich.

### LONDON

#### Le Corbusier Centenary

"Le Corbusier, Architect of the Century," which runs through June 7 at the Hayward Gallery, is the first of a number of European and American events planned to mark the centenary of the birth — as Charles-Edouard Jeanneret in La Chaux-de-Fonds, Switzerland — of one of the most influential and controversial architects and urban planners of the century. Organized by the Arts Council of Great Britain with the collaboration of the Fondation Le Corbusier, the exhibition includes models of a dozen of Le Corbusier's major buildings and projects made or financed by architectural schools or firms, original models, photographs, working drawings, paintings, sculpture, tapestries, enameled and furniture.

### AMSTERDAM

#### Schlemmer Revisited

More than 200 works from European and American collections focusing on all aspects of the career of Oskar Schlemmer are included in an exhibition that continues to April 13 at the Stedelijk Museum. Schlemmer (1888-1943) was a painter and sculptor who was also active in the fields of dance, theater, music and the visual arts in general. He taught at the Bauhaus from 1920 to '28, and in 1922 extended his ideas from the visual arts into dance with the "Triadic Ballet." The exhibition — in the context of the "Amsterdam, Cultural Capital of Europe 1987" festival — was mounted with the aid of the Schlemmer family and the Staatsgalerie in Stuttgart, his birthplace, which has a substantial number of his works, including costumes of the "Triadic Ballet."

### PARIS

#### Istanbul's Architecture

"Istanbul, Lumières sur la Ville," devoted to the Turkish capital's architectural heritage, is at the Chapelle des Petits-Augustins of the Ecole des Beaux-Arts (14 Rue Bonaparte) until May 3. The exhibition illustrates the artistic accomplishments of an empire that united the heritages of the East and West, resulting in a distinctive urban landscape, with its mosques, palaces (above, the Topkapı), public buildings and Ottoman houses.



### LYON

#### New Ballet Program

The Lyon Opera Ballet, after its New York debut with Maguy Marin's version of "Cinderella" and a trio of ballets new to the company, will give the latter program its first time at home. A series of 14 performances May 8-24 at the Maison de la Danse comprises "Mama Sunday, Monday or Always" by Mathilde Monnier and Jean-François Duroure, "Sleptext" by William Forsythe and "Symphony in Three Movements" by Nils Christie.

# On the Ready-to-Wear Roundabout

by Hebe Dorsey

THE fashion season is about to start and, as of this weekend, thousands of people from all over the world will spend five weeks on the road, zeroing in on Milan, London, Paris, and then, to a lesser degree, New York. Tokyo, which, a few years ago, started to rival these capitals, has lost its momentum.

Although the twice-yearly couture and menswear collections are important, there is no question that the ready-to-wear collections in spring and fall dominate the fashion scene. Those starting in Milan this weekend are the most important, a key moment in the industry, because they set trends for fall and winter 1987-88.

Fashion has become a worldwide phenomenon, a nonstop race to feed not only the clothing industry, but all kinds of side activities related to fashion. Flocking to these collections, besides the international retailers and press, will be fabric manufacturers, cosmetics experts, hairdressers, accessory designers, shoe designers and fragrance makers, all intent on finding out what is in and what is out. Plus the groupies and the students of fashion.

Each city has a different profile. Milan, where the shows are held at the edge of town in a huge glass-and-cement convention center, is all work and little play. Although it is efficient to show the collections under the same roof, and although the organizer Beppe Modenese does a fine flower and decorating job, the result is the same as at most professional fairs. At the end of the day, one feels as if one has been through a meat grinder. The only two houses which do not show at the fair are Krizia and Giorgio Armani.

The good side of Milan is that it is now a happy city. Almost. After years of fear and the Red Brigades, the atmosphere is calm, and this has had an impact on Italian styles. Grim khaki, boots and battlefield styles have disappeared. They are now into a wholly different mood — soft and feminine. And while the collections are important — the Italians are making a killing in the United States — there is less creativity than in Paris, therefore less tension. Professionals tend to look at Milan as a trial run for Paris and, when each day is over, they relax and do as the Milanese do. Most of the fun takes place at their favorite eateries around big plates of spaghetti. Fashion is also in the streets and shopping is a strong Milanese attraction, with some of the most luxurious boutiques in the world.

One can expect a few significant changes this season. Gianni Versace has just announced that he will show a couture collection — following the example of Gianfranco Ferré who started showing a couture collection in Rome two seasons ago. If more Italians from the ready-to-wear ranks get the courage, they could well build up a "Nouvelle Couture," to replace their ailing Rome couture, just like in Paris.

The fact that Milan fashions are dominated by big business was long a dulling, discouraging element. No more. Young talent is now sprouting in what was once a big bland scene. The man to watch this season is Romeo Gigli, a purist who has his own, delicate ap-



In Paris, at the beginning, everybody is dressed to the teeth.

proach to the body which defines in a precise, but subtle way. The other interesting name is Franco Moschino.

London is something else, a mad weekend during which designers show at Olympia's exhibition hall and, in two nearby tents. After years of chaos, the British are less disorganized and amateurish. London is changing fast because of aggressive entrepreneurs, such as Peter Dertelosen, a Danish oil tycoon who is doing a good job at harnessing British talent.

The Princess of Wales, who started with a stunning fashion bang and every sign of becoming a major international influence, has rather let the demands of her position dominate her taste, until she is now a mere show-window for London designers — which led to her being bounced off the

American best-dressed list. She has, however, helped to revitalize the British fashion industry, and remains a key influence on London styles, which keep on moving away from street to salon. Nevertheless, the streets of London, with their raw, wild and spontaneous fashions, remain the most entertaining and influential in the world.

The fashion banquet, attended last year by the Princess of Wales, will be replaced this time by a big buffet to be hosted by the chairman of Harrods. Things are happening in this august store, and the fashion department (four and a half acres of it) is being totally revamped and upgraded.

As for Paris, the hub of creativity, the apex of fashion has its own fast and furious pace. The showings, which attract

40,000 to 50,000 people and generate an estimated 18 billion francs (about \$3 billion) worth of business, are held in several tents located at the Cour Carré du Louvre, which is pleasant because it offers foreigners a flavor of Paris. Otherwise, it is a story of minimum comfort and maximum fun. The crowds are regularly overflowing out of the superstar shows — such as Claude Montana's or Karl Lagerfeld's.

Here fashion is in the air, under tents and in Paris's streets, clubs and boutiques, which explains why nobody — not even the toughest professionals — is blasé when it comes to Paris. This is the only place where you see young, desperate groupies hanging outside the tents, begging for an invitation. At the rate of five or six shows a day, the professionals meanwhile have a

greeting schedule, which requires the physical aptitude of an Olympic athlete.

At the beginning, everybody is dressed to the teeth, chic suits, high heels and all. By the second day, faces are already haggard, and dressing becomes a fast skirt-and-sweater job. At the end of the road, even the normally hand-box impeccable magazine editors look like they've just been through World War III.

Last season the threat of terrorism marred the showings, and security will again be tight. On the other hand, the drop of the dollar will be a major concern to American buyers, who will have to play their cards close to the vest. But the buying, the selling and the fun in one of the world's most vivid market-places will go on.

# Richard Eyre, Peter Hall's Heir at the National

by Robert Cushman

LONDON — Next year, for the first time in its 13-year existence on London's South Bank, the British National Theatre will have a change of director. Peter Hall hands over to Richard Eyre.

No need to speculate on why Eyre was chosen. Now 43, he not only has a consistently excellent record as a director of plays, but he is also — almost uniquely in his generation — a committed runner of theaters.

He became widely known in the 1970s for his work at the Nottingham Playhouse, where he sponsored what was then the rising political wing of British playwrights: Howard Brenton, David Hare, Trevor Griffiths. He also ran an excellent acting company, full of what are now totemic names: Jonathan Pryce, Antony Sher. The crown of his regime was an immaculate production of Griffiths's play "Comedians" with Pryce in a leading role, one that subsequently got him a best actor's Tony on Broadway.

"Comedians" was brought into the National's repertory, at the Old Vic, and Eyre seemed a natural choice for Hall's stable of associate directors. Instead he moved into television, functioning again as both director and producer, and subsequently into films. He has directed three movies.

The best-known, "The Ploughman's Lunch," was rather like a celluloid version of the state-of-England drama he has sponsored at Nottingham. But his recent work in the theater has been much broader-based. When, after much wooing, he did become a National associate, he had an immediate triumph with "Guys and Dolls" following that up with "The Beggar's Opera" and Brecht's lightweight "Schweyk." That is two musicals and one play with a lot of songs — this from a director who has been heard to remark ruefully on his "pagan image," but who is currently represented in the West End by "High Society." He has also taken time out to direct, at the Royal Court, plays by David Mamet ("Edmond") and Alan Bennett ("Kafka's Dialect"), the two best new plays, as it happens, of the last two years.

Hall is currently rehearsing "Antony and Cleopatra" at the National, and seems to be thriving on it. "He's always on form when he's directing," one colleague said; another remarked on his ability to tune every crisis out as soon as he enters the rehearsal room.

Nevertheless he talked to me about tombstones, and what he would like on his: that he bequeathed, in good working order and with high hopes, the Royal Shakespeare Company to Trevor Nunn and the National to Richard Eyre. "The man who invented the institutional theater in this country" (Eyre's description) has been able to nominate his own successor for each of the major companies he has headed.



Richard Eyre (left), and predecessor Hall.

his not having been the choice of his own predecessor, Laurence Olivier.

Olivier had run the National for 10 years at the Old Vic, during what is now regarded as a Golden Age. Probably our memories are rosy. There was plenty of trouble, and plenty of critical flak, at the time. But Olivier managed to create a durable and polished an acting ensemble as London has known, in a program that lightly skimmed the international repertory.

For all its eclecticism, Olivier's regime never had to bother too much about being the National Theatre. It was, as Ian McKellen once nostalgically described it, the "London rep." But once the South Bank complex had been created, with its foyers and its bookshops and its exhibition spaces and above all its three stages, it somehow had to live up to its name.

The problems have always been organization, identity and money. "What I feel most bitter about," Hall said, "is that having run this place for 10 years without a deficit, our reward has been to have one and a quarter million pounds taken off our subsidy in real terms. We've lost a huge opportunity to be a national theater in the broadest sense of the term. We could have toured more, had exchange visits with regional and international companies." These were all part of Hall's original schemes but they fell by the wayside after a couple of years. Only now are they beginning to reappear.

Hall, who has taken to publicly exhorting the government for its philistinism and the Arts Council for its lack of imagination, recently encountered Prime Minister Margaret Thatcher at an official function. Sir Peter, he said to him patiently, you've got it all wrong. Few people actually concerned with the arts would doubt that, in this area at least, Hall has got it all right, not least in his skeptical attitude toward the officially-approved remedy of business sponsorship: It is more and more a branch of advertising.

Even a financially handicapped National is a large operation that can only be humanized by its performers. Hall has tried several methods of organizing them. First, he ran everything himself and found it impossible. Then he gave each theater a separate director, then tried delegating across the board.

This last solution evolved naturally into the current system of autonomous groups, each run by a different director and mounting a play in each of the three spaces over a period of about 18 months. It has had its bumpy periods, but it has led to the recruitment of directors (such as Alan Ayckbourn and Mike Alfreds) from outside the charmed metropolitan circle, and even its failures have had some sort of definition about them. The National in previous years has had a weakness of product: productions, neither especially

good nor especially bad, that one knows for a fact existed but have left no ripple.

Whether Eyre intends to retain the group system is still unknown, but he has said that 18 months is the natural life for a group of people together. I would like to think it could be longer, or at least that each group could get through more work in its allotted span.

One has a dream — at least I do — of a homogeneous National Theatre Company constantly redefining and subdividing itself across all three stages according to the needs of each play. For logistical reasons it is unlikely to happen and, as both directors and actors often remark, actors no longer regard a permanent company as theatrical nirvana. They said they did in the 1960s, but maybe this was because they had never experienced it.

"In most countries," Eyre said, "a national theater is a state institution set up to glorify the national drama. We already have the RSC to celebrate the great English playwright. That curious edifice on the South Bank exists to provide a pluralistic repertory where you aspire to the highest possible manner of presentation, casting and design. It has a sense of continuity in the way it gathers and develops younger actors, directors and designers."

None of this is revolutionary. But I don't see how it could be. Everybody knows the kinds of play the National should be presenting and the quality of actor it should be employing. Everybody recognizes the dangers of what Eyre calls brochure theater: the idea of paying debts to the classics. I suggested that the danger extended to new plays as well, and Eyre agreed, citing the speed with which new playwrights are gobbled up. "There isn't a writer who hasn't been commissioned by the National, the RSC, the Royal Court."

The National will always be criticized just because it's the National. It gets blamed every time another company does a successful production of a minor classic, as though if the National were doing its job properly there would be no need for anyone else to bother. It gets attacked if it mounts a popular comedy in its small Cottesloe Theatre, though there is no earthly reason why small should be synonymous with experimental, and it is actually a sign of health that some of the boldest productions (Hall's "Orchestra" for instance) have been mounted in the vast open-stage Olivier Theatre.

Eyre said that he admired Hall's resilience enormously: "Like a sea lion he just gets on land and shakes the drops of water off him." Eyre is less flamboyant but equally tough. He's tired of being described as "nice," pointing out that to get a show on at all you have to be incredibly bloody-minded.

When he hesitated about tying himself down to the National ("I like whoring around"), Howard Brenton admonished him, in monumental style: "You've got to do it. It's your destiny."



WEEKEND

THE PARIS LIBERTY FLAME APPEAL



In support of the project to bring to Paris a full-size replica of the sculpted flame of the Statue of Liberty...

It was a most enjoyable family evening, involving well over 300 participants, and the IHT extends its most sincere thanks to all those who made it possible.

We are grateful for the generosity of: UNIVERSAL PICTURES UNITED INTERNATIONAL PICTURES BURGER KING SOCIÉTÉ GAUMONT

And we also salute with thanks all those who attended and whose contributions will help to make the Paris Liberty Flame a reality.

- Nancy Ackley Scott & Robert Ackley Gérard Ardouze Nancy Asthalter Katia Asthalter Frederick & Claire Ayer Andrew & Alex Ayer William & Beryl Barracough Mr. & Mrs. Steven Bartlett Louise & Christopher Bartlett Jean-Marc & Nicole Bel Romain Bel Charles & Celia Benson Dianna & Andrea Benson C. Bergin Dorothy Bergin Mrs. Patrick Bidermann Jordan Bonfante Peter & Eugénie Bonfante Rudi Boniface Carolyn Boniface Connie Borde David & Philippe Borde Mary Boss Jill Bourdais de Charbonnière Claire Cyrille Bourgoin Mr. & Mrs. Jean Boutemy Anne Boutemy Rebecca Bouygues Rosalie, Charles & Louise Bouygues Barbara Bréchet Odoric S. Bréchet-Bader Didier Brodbeck Alexandre Brodbeck Mr. & Mrs. John H. Bull Judy Burek Michael & Stephen Burack Cameron Calder Marjorie Calder Robert Calder Martine Catala Claude Catala Beverly A. Cerchio Robert Champagne Ruth Charrier Yolande Chauvigne Christian Chery Sonia Chery Mr. & Mrs. William Chevallier Kathleen Choiset Stephen, Noémie & Claire Choiset Jane & Christophe Cobence Julien Cobence Laura Cohen Nadine & Fred Coleman Cynthia & Eric Coleman Ellen Conrad Louise & Parker Conrad Margaret Corcoran Michelle Corcoran Mrs. P. Corcoran Mrs. Whitney de Courcel Eric de Courcel Mr. & Mrs. Roger Cruise Mrs. Roland Dallennagne Eric Dallennagne Julia Darger Julie Darger Carmen Davis Robert Davis Suzanne de La Maisonneuve Terence Dellecker Juliette & Adrian Dellecker Thomas & Gail Duggan Chris Duggan Laure Dujarric R. Evans Julene Fabrizio Timothy & Gina Fabrizio Nancy Field Dominique Frachon Marc Frachon Pauline & Antoine Frachon Guillaume Franck Jessica Franck Thomas Freear Elizabeth Fulford Simon Fulford Darlene & Louis Georgiades Michael & Anne-Kath. Georgiades Margaret Gillet Marianne & Marc Gillet Sylvain & Edith Goldfarb Caroline & Sophie Goldfarb Michèle Gompel Samantha Gompel Saul & Marcia Gordon Elcana, Joanna & Elizabeth Gordon Dr. & Mrs. François Goupy Isabelle & Frédéric Goupy Julien Granotier Matthew Greene Mrs. Jean-Pierre Guerlain Steven & Regina Gustafson Gina & Reggie Gustafson Mr. Haidemerkakis Robert & Flynn Hall Gregory & Melanie Hall Mr. & Mrs. Charles Hamilton Tara & Jason Hamilton Lenny Hanson Ashley & Sabrina Hanson Karen Hartung Gregory Hartung H. Heller James & Drucilla Hoeg Mrs. Claude Hoguet Mrs. Kozuh Howell Kourtney Howell Jacqueline Hubbard Emilie Hubbard Berna & Lee Huebner Charley & David Huebner Nellye Hurley Clara Hurley Robert Irving Florence Jeantet Herbert Johnson Catherine Julian Laurent & Remy Julian Mr. & Mrs. Joseph Kern Mary Keppell Laurent & Guy Keppell Edward & Lisa Kiernan Patricia Koenigsberger Roger & Sue Kriz Brian & Jennifer Kriz Nadia & Thierry Lacoste Mr. & Mrs. Laloret Anna Lascar Jean-François & Sally Lecomte Julien & Louise Lecomte Lynn Lavrette Julian Lavrette Brian Lloyd Mrs. Loufi Raja & Zaina Loutfi Michael & Madeline Lovallo Lisa & Matthew Lovallo Jeanne Jany D'Jaoui Manson Susan Marchand Mr. & Mrs. Robert McAulliffe Todd & Louisa McAulliffe Cindy Meier Brian Meier Elizabeth & Michel Messoca Julia & Alexander Messoca Jacoba Toby Molenaar Carol & Xavier Negjar Cristine Noury Caroline Noury Mrs. B. Ostier Elbaz Vanessa & Gregory Ostier Suzanne Parker Kathryn Parker Karen Parnet Olivier & Juliette Parnet Agnes & Denis de Pasquale Robert & Sheila Paul Chad Paul Peggy Paul-Cavallier Edward & Virginia Paul-Cavallier John Peter Virginia Pilpoul Samuel & Judith Pisar Leah Pisar Michel Plantevin Ellen Plantevin Williams Powell Mr. Pugatchenko Marc & Nicolas Pugatchenko Leslie & Bertrand de Quillacq Albane & Chloé de Quillacq Jean & Sarah Rassam Frederic Rassam Mr. & Mrs. Van Kirk Reeves Evander Reeves Lily Réve Eileen Osmond Savdie Suzanne Scroccaro Katie Scroccaro Bibi Seggar Karen Serenyssol Claire Serenyssol Pieter Sharpe Mary Winslow Sisson Thomas Upton Sisson Sally Soliz Cori & Alicia Soliz Jane Stanford Chris Stevens Dean Sutton Gay Tischbirek Jacqueline Gard Urbank John Urbank Sharyn Van Reepinghen Ian François Van Reepinghen Mr. & Mrs. Guy Viollet Barbara Virillo Virginia & Julien Vitoz W. Robert & Susanna H. Warne Dorothea Wiele Craig & Suzanne Wiele Gudrun S. Wigley Janet Wolfe Marie-Columbe Perry-Wright Karina Wright Pamela Darling Ziesenis Peter & Caroline Ziesenis Mr. & Mrs. Charles Zimlinghaus Carol Zimlinghaus

Czech Twister, Polish Romance

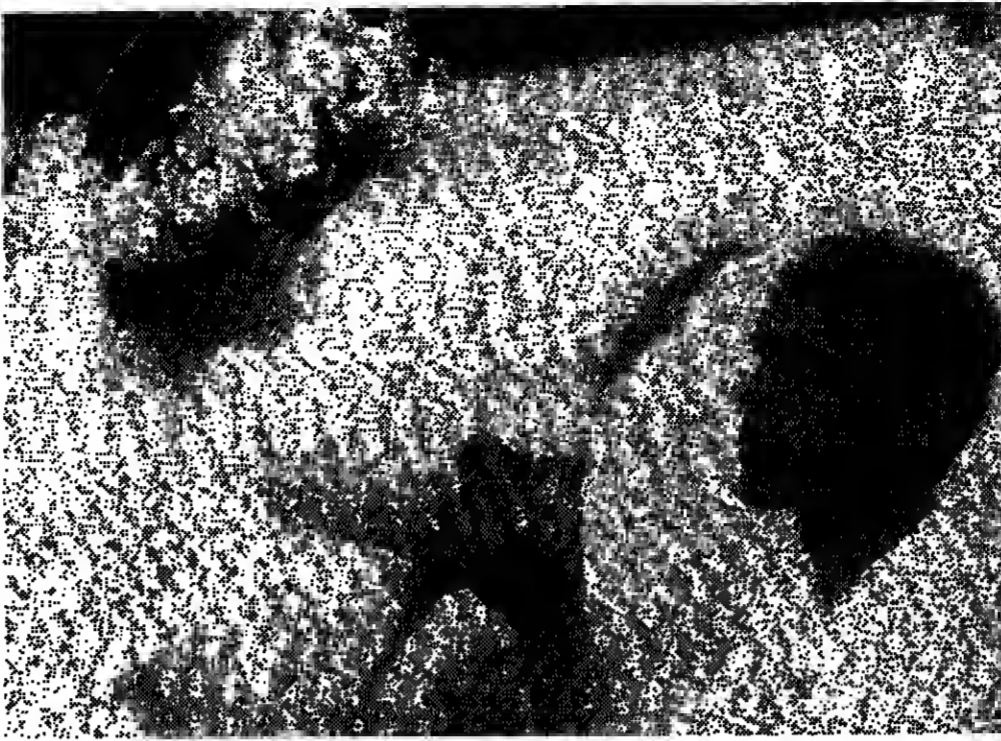
by Mark Hunter

PARIS — Most of us have experienced something that could be called a criminal urge, even if merely pocketing the change that belonged to a shopkeeper or tearing up a parking ticket.

The fortyish Vrana (played in a wonderfully deadpan style by Josef Abrham) is racked by erotic fantasies that his Prague bookshop, with an upstairs bedroom, provides the chance to act out: unfortunately, child support payments from past adventures, combined with the support of wife and child, have reduced him to economic life wearing a worn-out dinner jacket to a reunion with his now-rich high school classmates.

In a moment of vengeful opportunism, Vrana has found his calling. No longer merely a poor book-seller, except for protective coloration, he is on his way to becoming the notorious "fake writer" whose one-man crime wave catches the nation's interest.

The best twist is that Vrana isn't in it for the money; he discovers himself as an artist of disguise, a bold pirate with a Robin Hood touch, and a more irresistible womanizer than ever (especially with the wives of richer men).



Soft-focus by director Andrzej Wajda (left), and Ladislav Smoljak's fake waiter (above).

— but when the bluff is finally called, he rises again to the occasion. A postscript tells us that he betters himself in prison; he is indeed a "positive criminal," as he is described by one of his unwary victims. This is a portrait of the artist as a middle-aged thief.

Andrzej Wajda has lately been at pains to point out that the political themes in his oeuvre — notably in films like "Man of Marble" (1976) and "Man of Iron" (1980), which respectively studied the Polish working class of the 1950s and the Solidarity movement — have always been counterbalanced by close attention to personal relationships.

relations put on movie directors, but the real question about this film — and it shouldn't be — is why he wrapped such a tender but sturdy subject in layers of gauze.

The film is shot in a focus so soft that spots of white light glisten like snowflakes, like one long image from a nostalgic memory of youth (initially the memory of Tadeusz Konwicki, who adapted the screenplay from his novel of the same title).

The story is as classic as "Romeo and Juliet": Alina (Paulina Myrsarska) and Wittek (Piotr Waznyzynek), likewise in his first screen role, students at a time when even children are talking about the coming war, meet by chance and fall in love, despite parental opposition, the crude incomprehension of Wittek's peers, and the competition of other suitors for each.

Myrsarska is a discovery, a child who seems to be merely playing ("I

make others suffer," she tells the startled Wittek, without the least irony), until we realize that she knows exactly what she wants from life: A perfect, consummated love, and escape from an existence she has judged insufficient. Once she has chosen Wittek as her consort in this adventure, she holds nothing back. She gives the film its core, far more than Waznyzynek, who holds center stage convincingly, but not quite engagingly.

Konwicki's scenario employs the mystic touch of an "unknown," played by the writer, who travels back in time to give Wittek oblique hints of his fate.

Yan Xuesho began his career in China turning out propaganda, and his latest feature, showing here as "Dans les Montagnes Sauvages" ("In the Wild Mountains"), verges on being a parable about the virtues of pecuniary progress, which at the time the movie was made

(1985) enjoyed the Party's blessing ("The Party wants to enrich the peasants!" declares one character). But the director (and co-screenwriter, with Zhu Ze) has loaded into this movie a great deal of ambivalence about the experience, as opposed to the rhetoric of progress, with the help of a uniformly excellent cast (two of whose members, Yue Hong and Xin Ming, won the national film industry's Golden Rooster awards for their roles in 1985, along with the best film prize). The result is an engrossing study of a people in a time of change, its frames (beautifully photographed by Mi Jiaquin) packed with information about its characters' lives.

The film recounts how two mountain peasant couples split up and re-assemble after numerous trials for all concerned. The ambitious Guilan (Hong), wife of the tradition-minded farmer Huihui (Ming), will eventually find happiness with the entrepreneurial-

minded Hehe (Du Yuan), while Hehe's conservative, estranged wife, Qirong, drifts with their child into the arms and household of Huihui. Though all of these comings and goings are with evident emotion, no one ever says the key line of any Western romantic comedy — "I love you."

But this tangle (curiously reminiscent of Jane Austen's novels of marriage and money) is ultimately secondary to the chief cause of friction between Guilan and Huihui — her inability to bear him a child. At the film's end, she and Hehe are married and rich (by peasant standards), but she is apparently still childless. And though Qirong and Huihui find comfort together at first in their common values, it is soon cruelly diminished by envy of their ex-matrimonial success. There is a human cost being paid for progress here, and the film isn't ducking the issue.

Mark Hunter writes about cultural affairs in Europe.

INTERNATIONAL ARTS GUIDE

BELGIUM

BRUSSELS: Palais des Beaux-Arts (tel: 512.50.45). Mar. 13-22: Thirty European galleries participate in the 10th annual contemporary arts fair.

ENGLAND

CAMBRIDGE: Fitzwilliam Museum. March 17-May 3: The Private Degas displays over 100 drawings.

paintings, sculptures, posters and prints from museums throughout Europe and the U.S.

LONDON: Barbican Centre (tel: 638.41.41). To April 26: Russian Style 1700-1920: Court and Country Dress from the Hermitage. 120 costumes and fashion accessories, including Imperial wardrobes, from the Hermitage Museum in Leningrad.

National Portrait Gallery (tel: 556.89.21).

Moore, Francis Bacon, Ben Nicholson and Anthony Caro.

Tate Gallery (tel: 821.13.13).

To June: British and American Pop Art: prints from the Tate's collection, including works by Peter Blake, Patrick Caulfield, David Hockney, Jasper Johns, Roy Lichtenstein, Claes Oldenburg, and Andy Warhol.

FRANCE

PARIS: Centre Georges Pompidou (tel: 42.77.12.33).

To Mar. 22: Oskar Kokoschka drawings, 1906-1926.

Bibliothèque Nationale (tel: 42.61.82.83).

To May 3: The Human Form: 341 engravings by Rembrandt from the Bibliothèque Nationale's collection.

Ecole des Beaux-Arts (tel: 42.60.34.57).

To May 10: Manise: Rhythm and Line: 400 drawings, prints and book designs by Manise from museums and collections in France and abroad.

To May 3: Istanbul, Illuminating the City, focuses on five centuries of Ottoman architecture and includes drawings, photographs, and architectural models.

Musée du Louvre (tel: 42.60.39.26).

To June 1: Works by Watteau form the centerpiece of this selection of French 18th century drawings, "From Watteau to Lemoyne."

Musée du Luxembourg (45.53.82.05).

To Apr. 15: Retrospective of the 17th century painter and portraitist Pierre Subleyras, known mainly for his religious compositions.

Musée du Petit Palais (tel: 42.65.12.73).

To May 17: Northern Light: 170 works by Scandinavian artists, 1885-1905.

Musée du Petit Palais (tel: 42.65.12.73).

To May 17: Northern Light: 170 works by Scandinavian artists, 1885-1905.

DUSSELDORF:

Kunsthalle.

To Apr. 20: Joan Miró's paintings — Surrealist, 1930s, and post-war era works — are featured in this first retrospective of his work since the artist's death in 1983.

HANOVER: Sprengel Museum (tel: 168.38.75).

To Mar. 15: 400 drawings and 17 oil paintings by Picasso from the collection of the German industrialist Bernhard Sprengel.

MUNICH: Staatsgemäldesammlungen (tel: 23.80.50).

To Mar. 15: Graphic work and paintings by the Italian artist and sculptor Marino Marini (1901-1966).

Städtische Galerie im Lenbachhaus.

To March 29: Franz von Lenbach and His Time, marks the 150th anniversary of the portraitist's birth; 180 works are on view.

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HOLIDAYS & TRAVEL

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HOLIDAYS & TRAVEL

appears every Friday For information call Françoise Clément in Paris on 46.37.93.82 or your local IHT representative (List in Classified Section).

BERLIN: Berlinische Galerie (tel: 261.92.94). To April 4: Art in Berlin from 1870 to the present.

COLOGNE: Josef-Haubrich-Kunsthalle (tel: 221.23.35). To March 8: Women in Ancient Egypt, a touring exhibition of 100 objects and artifacts from the National Museum in Cairo.

DOONESBURY. WARREN CLAY, LISTEN, I GOT SOME SOLID DOPE ON BLIPPO. THEIR PE RATIO IS GOING TO BE HIG. YOU SHOULD MOVE.

THE NETHERLANDS

AMSTERDAM: Van Gogh Museum (tel: 020.76.48.81). To April 12: Paintings and photographs by the Swedish dramatist August Strindberg.

SPAIN

BARCELONA: Centre Cultural de la Caixa (tel: 301.11.14). To Mar. 22: 165 examples of the drawing and graphic work of Edvard Munch.

GERMANY

DOONESBURY. THEN ANNOUNCE, AND SCARE HELL OUT OF MANAGEMENT. THE ARMS WILL BACK UP THE PRICE. ILL. BAH, AND YOU TAKE GREEN. HALL. WHAT DO YOU THINK?

DOONESBURY. I HATE WHAT SORT OF THING YOU'RE THINKING BY. HELL. WHAT DO YOU THINK?

As the... national Herald... book with... reports... of the Paris Herald... today's IHT... With lively... Hebe Doney... can open an... read with... wonderful gift...



WEEKEND

Blomstedt: Dresden to San Francisco

by David Stevens



Herbert Blomstedt.

PARIS — Herbert Blomstedt has no entry under his own name in the 20-volume New Grove Dictionary of Music and Musicians, a rare gaffe for this formidable encyclopedic work...

with eyes always on the part of the orchestra that needs the most attention, a clear beat, readable signals, some expansively sweeping gestures, and now and then a climactic sword-thrust of a cue that produces a backward kick of his left foot in unconscious reaction...

orchestra members were taken with Blomstedt as a musician's musician and made their feelings known. "I think that in the great orchestras today, you cannot bypass the players when you pick a music director," Blomstedt said...

from the Western world, a Christian." Until he got the permanent post, he lived when in Dresden — still very much a war ravaged city — in a guest room of the Seventh Day Adventist Church.

The V & A's 'Medieval Treasury' and Japanese Gallery

by Max Wykes-Joyce

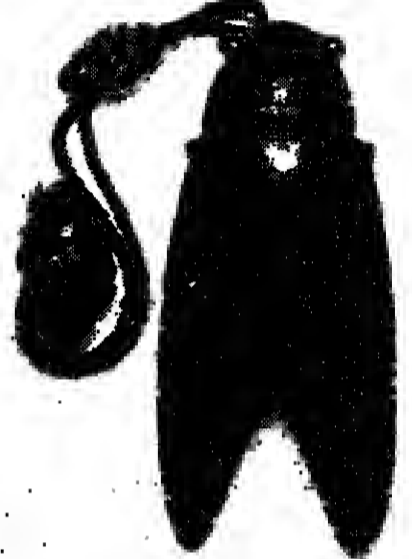
LONDON — All too often, when we trouble to consider medieval art at all, we think of the gargoyles who proliferate on many cathedrals in Europe...

"The Gloucester Candlestick" is an extraordinary composition of gilded metals portraying a pyramid of men, monsters and foliage, bearing a Latin inscription which says "The devotion of Abbot Peter and his gentle flock gave me to the Church of St. Peter at Gloucester."

ling a giant snake, a man and a girl playing backgammon watched by four bystanders, and a warrior in combat with a monster (a plausible suggestion in the catalogue is Hercules and the Hydra).

centuries; Seto ware of the 14th century; Sigamaki ware of the 15th; and a fine selection of wares for the Chanoyu, the Tea Ceremony, including a masterpiece of 16th century pottery, a stoneware ewer with tripod feet, decorated with a lattice of stylized flowers in underglaze iron under a clear white crackle glaze; and an 18th century Hagiwara teabowl with a crackled pink-grey glaze.

● Dress — kimonos for women, a green silk costume for the No drama, and a magnificent silk mantle for a Buddhist monk. A remarkable tour de force is to be seen in a sequence of carved wood by Gyokushi, the inro, the tiny box attached to the belt, carved in the form of a cicada, the osetuke, the toggle fastener, as a cicada chrysalis, the ojime, the small button in mid-cord by which one could adjust its length, in the form of a monkey and her young.



Inro in the form of a cicada, signed by Gyokushi.

Advertisement for 'THE BELLE EPOQUE' book. Includes illustrations of people in 19th-century Parisian fashion, a bicycle, and a hot air balloon. Text describes the book as a collection of major turn-of-the-century news stories, superb fashion reports, lively gossip and 147 illustrations.

Subscription advertisement for the International Herald Tribune. Features a large '50%' discount graphic and a table showing subscription rates for various countries. Includes a coupon for ordering and a 'Now Morning Delivery for Most Readers' banner.



NYSE Most Actives table with columns: Vol., High, Low, Last, Chg.

Dow Jones Bond Averages table with columns: Bonds, Utilities, Industrials, Close, Chg.

Market Sales table with columns: NYSE 4 p.m. volume, Amex 4 p.m. volume, OTC 4 p.m. volume.

NYSE Diary table with columns: Close, Prev.

NYSE Index table with columns: High, Low, Close, Chg.

NYSE Index table with columns: Composite, Industrials, Utilities, Finance.

Odd-Lot Trading in N.Y. table with columns: Buy, Sell, % of Total.

Dow Jones Averages table with columns: Industrials, Transp., Utilities, Finance, Comp.

Thursdays NYSE Closing logo with 'Via The Associated Press' text.

AMEX Diary table with columns: Advanced, Unchanged, Lower, Higher, New Highs, New Lows.

Standard & Poor's Index table with columns: High, Low, Close, Chg.

NASDAQ Index table with columns: Composite, Industrials, Finance, Transp.

NASDAQ Diary table with columns: Close, Prev.

AMEX Most Actives table with columns: Vol., High, Low, Last, Chg.

AMEX Stock Index table with columns: High, Low, Close, Chg.

12 Month High/Low Stock table with columns: Div., Yld., PE, High, Low, Close, Chg.

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12 Month High/Low Stock table with columns: Div., Yld., PE, High, Low, Close, Chg.

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Dow Hits Record; Gains Narrow

NEW YORK — Prices on the New York Stock Exchange rose for the third consecutive session Thursday, boosting the Dow and other closely-followed indexes to record levels, but the breadth of the advance narrowed considerably.

Analysts said that General Motors Corp.'s buyback plan, announced Tuesday, remained a stronger influence on the market than political developments in Washington.

The Dow Jones industrial average jumped 18.98 points, closing at a record 2,746.43. But advances led declines by only a 9-to-7 ratio. Volume amounted to 205.43 million shares, up from 198.41 million Wednesday.

Broad market indicators Thursday topped records set only a day earlier.

The New York Stock Exchange composite index of all listed common stocks rose 1.00 to 165.41. Standard & Poor's 500-stock index jumped 1.90 to 290.52. The price of an average share rose 26 cents.

The market surged early, and despite some afternoon weakening in the broad market, blue-chip issues held the high ground throughout the day.

Hugh Johnson, head of the investment policy committee at First Albany Corp., attributed the rise to the continued availability of cash.

"The General Motors buyback plan dramatized liquidity at work," he said. "Corporate cash flows are rising while earnings are moving sideways."

GM stock, however, fell 1/4 to 78 1/4 in active trading.

Mr. Johnson said that a more stable U.S. dollar had allowed investors to conclude that the Fed would not have to boost interest rates. That view has come "as a relief and a breath of fresh air" to both the bond and equity markets, Mr. Johnson said.

He said that investors expect Friday's report on February unemployment to show that the economy is still in the "no-boom, no-bust" phase that presents the "best of all possible worlds" for stock market forecasters.

Some traders said that President Ronald Reagan's address to the nation Wednesday night appeared to calm investors.

"The speech and the Howard Baker appointment cleared the air a little bit," said Jack Baker, head of the equity block trading desk at Shearson Lehman Brothers. "It helped Wall Street sentiment, which had been very poor."

But Mr. Johnson said that the impact of Mr. Reagan's speech was negligible.

"There was some polite applause, but enough skepticism is left that to say prices rose due to the administration's actions would be totally misleading," Mr. Johnson said.

Prices rose in active trading on the American Stock Exchange.

The American Stock Exchange's market value index climbed 3.17 to a record 328.47, its third one high this week. The price of an average share rose 15 cents. Advances led declines 341-269 among the 838 issues traded. Composite volume totaled 21.4 million, compared with 17,964 million Wednesday.

Large table of stock prices with columns: Stock, Div., Yld., PE, High, Low, Close, Chg.

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Shell Ad logo and text.

France to Re Ownership In Bull March advertisement.

COMPANY INC advertisement.

N.Y. Judge Re Against GM fo advertisement.

TECHNOI advertisement.

Handwritten text: هكمان الأهل



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**TECHNOLOGY**

**5 Handy Reference Works On a Single CD 'Bookshelf'**

By **ANDREW POLLACK**  
*New York Times Service*

**SEATTLE**—Imagine having a dictionary, thesaurus, the World Almanac, Bartlett's Familiar Quotations and a national zip code directory all on a tiny disk with the information retrievable instantly by computer. Such a disk was introduced Tuesday, and it illustrates the vast potential of technology known as CD-ROM.

What illustrates the potential even more, perhaps, is that all of those references together take up less than half the capacity of the compact disk.

The development of CD-ROM, which stands for compact disk read-only memory, is an attempt to exploit the compact disks already popular for playing music, as a computer peripheral. The advantage is that a single disk, the size of a conventional compact disc, can store 550 megabytes of data, the equivalent of 1,500 floppy disks or a quarter of a million pages of typewritten text. Unlike floppy disks, however, the CD-ROMs do not permit users to record or erase information on their own.

CD-ROM systems have been available for two years, but the market has been slow to develop. Still, about 1,200 people attending a conference on the technology this week in Seattle are confident the systems are starting to catch on. CD-ROM disks and players will even be sold at retail for the first time this year.

"I'm encouraged by the groundswell we feel beneath us," said Kenneth S. Shain, president of Geovision Inc., a Norcross, Georgia, company that sells geographic data on CD-ROM (pronounced see-dee-rahm).

So far, only 12,000 disk systems have been sold, according to Thomas M. Lopez, vice president of the CD-ROM division of Microsoft Corp., which is sponsoring the conference. But he expects sales of 100,000 this year.

About 130 applications have been developed for CD-ROM, Mr. Lopez said. Such applications mainly take the place of voluminous paper manuals or the connection to central computer data bases.

**Someday a CD encyclopedia article on Kennedy might play excerpts from his speeches.**

**All's Fare in the 'Dark Science' of the Airline Wars**

By **Eric Schmitt**  
*New York Times Service*

**DALLAS**—In the U.S. airline business, it is sometimes called the dark science.

The latest round of fare wars, however, has put a spotlight on how carriers use state-of-the-art computer software, complex forecasting techniques and a little intuition to divine how many seats at what prices they will offer on any given flight.

The aim of this inventory, or yield, management, is to squeeze as many dollars as possible out of each seat and mile flown. That means trying to project just how many tickets to sell at a discount without running out of seats for the business traveler, who usually books at the last minute and therefore pays full fare.

Too many wrong projections can lead to huge losses of revenue, or even worse. The inability of People Express to manage its inventory of seats properly, for example, was one of the major causes of its demise.

"It's a sophisticated guessing game," said Robert E. Martens, vice president of pricing and product planning at American Airlines, the carrier that has the most advanced technology for yield management, according to airline analysts and consultants. "You don't want to sell a seat to a guy for \$69 when he's willing to pay \$400."



American Airlines reservation centers feed data to "yield managers" in Dallas who monitor and adjust the fare mixes on 1,600 daily flights and 528,000 future flights.

With the industry now adopting very low discount but non-refundable fares, the complex task of managing seat inventory may become easier because airlines will be better able to predict how many people will show up for a flight.

Some airlines have already seen a drop in their no-shows, which means they can overbook less and spare more customers from being bumped. The non-refundable fares could also enable carriers to sell more discount seats weeks before a flight, rather than putting them on sale at the last minute in an effort to fill up the plane.

American's inventory operation illustrates just how complicated the process can be.

At the airline's corporate headquarters here, 90 yield managers are linked by terminals to five International Business Machines mainframe computers in Tulsa, Oklahoma. The managers monitor and adjust the fare mixes on 1,600 daily flights as well as 528,000 future flights involving nearly 50 million passengers. Their work is hectic: A fare's average life span is two weeks, and industrywide about 200,000 fares change daily.

American and the other airlines base their forecasts largely on past profiles of each flight. Business travelers, for example, book heavily on many Friday afternoons.

**3% Growth Rate Predicted for West Germany**

By **Ferdinand Protzman**  
*International Herald Tribune*

**FRANKFURT**—West Germany's economy will grow by 3 percent in 1987, on the strength of expansive monetary policy, according to a surprising report released Thursday by the World Economic Institute in Kiel.

But strong growth in the money supply of the world's industrialized economies is likely to stoke inflation, and could lead to global recession by the end of 1988, an economist at the institute said.

The Kiel Institute, as it is known, is one of five economic research groups that advise the Bonn government on economic policy. The prediction of 3 percent growth in West Germany's gross national product in 1987 is far more optimistic than recent forecasts.

"I wouldn't call the report so optimistic," said Klaus-Werner Schatz, director of the institute's economic research section. "We left our forecast for 1987 as it was. But we also pointed out the risks involved with the current expansive monetary policy in most industrial nations."

Several other institutes recently cut their 1987 GNP projections to between 1.5 percent and 2.0 percent expansion from earlier estimates of 3 percent. GNP measures the total value of a nation's output of goods and services.

In 1986, West Germany's GNP is estimated to have expanded at an adjusted 2.5 percent, according to statistics released in mid-February by the Bundesbank, the central bank. That estimate fell short of government projections of 3 percent growth for the year.

More significantly, the Bundesbank said, GNP did not grow at all in the fourth quarter of 1986, with rising domestic demand only compensating for declining exports. The Deutsche mark's steep rise against the dollar was blamed for the drop in exports.

The institute, however, is treating the stagnation in the fourth quarter as aberrant. Mr. Schatz said that expansive monetary policy would further stimulate domestic demand in 1987, causing it to rise of 4.5 percent. The export outlook is also less bleak than many experts believe, he added.

"About 73 percent of our exports go to industrial nations other than the United States," Mr. Schatz said. "The decline of the dollar has hurt some, but the greatest drop in exports has been to OPEC nations and the Soviet Union, not the U.S."

"The dollar was even lower than its current levels in the 1970s and we still had exports," he said. "There is likely to be a slight rise in 1987."

More disturbing than the effect of shifting exchange rates on exports is the "very expansive monetary policies industrial nations are following," Mr. Schatz said. While the expansion of money supplies will help boost demand, it also risks rekindling inflation.

The Bundesbank president, Karl Otto Pöhl, has repeatedly said that price stability and tightly checked monetary growth were the keys to West Germany's policy of steady, spectacular economic growth.

But Mr. Schatz said that West Germany's 0.8 percent deflation in 1986, and the declining levels of inflation in other industrial nations for the year, should be credited mostly to the collapse of world crude oil prices, not strict monetary control.

"We're not going to see oil prices drop like that again," Mr. Schatz said. "As for monetary expansion, I'm not sure it is so easily controlled."

Recent preliminary figures show that West Germany's money supply is growing well above the Bundesbank's target range of 3 percent to 6 percent for 1987. The central bank money supply, the key measure of money supply growth, grew at a preliminary 9.4 percent annualized rate in January.

In 1986, money supply growth also far exceeded its target range of 3.5 percent to 5.5 percent. The central bank money supply consists of cash in circulation and banks' required minimum reserves on domestic liabilities.

"By the end of 1988, the industrial nations' central banks could be faced with rapid inflation," Mr. Schatz said.

**Brazil Needs \$6.4 Billion This Year, Paper Says**

Compiled by Our Staff From Dispatches

**SAO PAULO**—Brazil, facing reduced foreign exchange earnings in 1987, will require at least \$6.4 billion in external financing to balance its payments, the influential newspaper *Fôlha de São Paulo* reported.

Brazil, the developing world's biggest debtor nation, initially may apply for a rescheduling of around 75 percent of the interest on its external debt over a 20-year period, the paper said Wednesday.

The report came as Finance Minister Dilson Funaro was winding up a tour of West European capitals to discuss Brazil's decision to suspend interest payments on part of its estimated \$109 billion external debt.

The newspaper cited Finance Ministry projections that Brazil's external trade surplus would be less than initially estimated in 1987, about \$7.5 billion to \$8 billion rather than \$11.5 billion.

The paper said that if Brazil made interest payments of only \$4.8 billion this year, it would require from \$6.4 billion to \$6.9 billion in fresh financing from foreign banks.

However, the paper added that if Brazil were to receive \$2.35 billion from multilateral and foreign government sources, it would require only \$4 billion to \$4.5 billion from the banks.

In Rome, Mr. Funaro on Thursday summed up his tour of Britain, France, West Germany and Switzerland, saying that Brazil was aiming to settle the debt issue at the political level. He said he expected all European countries to help Brazil maintain a growth-oriented policy and secure additional financing.

He said that he was making plans to travel to Japan to continue explaining Brazil's to suspend the debt interest payments.

"Brazil is not asking for a pardon," Mr. Funaro said. "We are only asking for a refinancing mechanism."

On Wednesday, after meetings with the Swiss, Mr. Funaro once again rejected the idea of securing fresh loans by reimposing austerity measures.

"We aren't going to make the adjustments we made in 1982 that provoked the largest recession we have ever had," he said.

However, Waldemar Jucker, director of the Swiss Finance Administration and the country's No. 2 finance official, said Wednesday that Mr. Funaro's delegation had made no concrete requests for government aid.

Swiss banks held about 3.5 billion Swiss francs (\$2.26 billion) in loans to Brazil at the end of 1985. Separately, the Swiss government has guaranteed about 1 billion Swiss francs in export credits, Mr. Jucker said.

(AFP, AP)

**Argentina Seeks Debt Extension**

Argentina will tell its creditors it needs an extension of deadlines for payment of capital and interest on its \$50 billion foreign debt. The industry and foreign trade secretary, Roberto Lavagna, said Wednesday in Buenos Aires, Reuters reported.

**HONDA DEALERS** are starting to use auto parts catalogs on CD-ROM disks. McGraw-Hill has introduced a combination of its scientific encyclopedia and dictionary on disk. Donnelly Marketing Information Services has introduced a data base containing demographic data for 250,000 neighborhoods in the United States. The data can be used for such purposes as selecting a restaurant site.

Micromedex, a subsidiary of Mead Data Central, sells a data base containing information on poisonous substances for use in hospitals and poison centers. And Lotus Development Corp. has introduced a financial data base. Experts say that telephone directories, tax and legal codes and census data are appearing or will appear on CD-ROM.

In most cases, the disks sell for hundreds of thousands of dollars and the disk players are sold with the disks. To try to open the retail market, Microsoft introduced Tuesday what it hopes will be the first general purpose CD-ROM program. Called Microsoft Bookshelf, the \$300 program contains the thesaurus, zip code directory, almanac, spelling checker, Bartlett's quotations and several other reference works.

A person typing a letter on a word processor and needing a zip code, for instance, can quickly switch into Bookshelf, retrieve the zip code, and have it inserted automatically into the letter.

To run Bookshelf, the first CD-ROM players to be sold at retail will be introduced by Amdek, a computer monitor manufacturer. The players, actually made by Hitachi Ltd. of Japan, will be sold with Bookshelf for a total price of \$1,100. Sears Business Systems Centers will be the first retailers to carry the machines.

Despite these positive developments, many in the industry say that market development is taking longer than expected. Edward See TECHNOLOGY, Page 13

**U.S. Growth Threatened, Congressional Study Says**

WASHINGTON—The U.S. economy faces several serious problems threatening its continued growth, according to a Congressional report released Thursday.

The report by the Democratic majority of the congressional Joint Economic Committee predicted sluggish growth in the United States and the rest of the world in the near future.

Committee Republicans released a separate, more optimistic, report predicting continued stable growth with low inflation.

Democrats have a 12-to-8 majority on the committee of 10 senators and 10 representatives.

Although prepared in advance, the report comes out just after declines announced this week in January's index of U.S. leading economic indicators, which is supposed to forecast economic growth, and in factory orders.

The annual report of the committee surveys a \$3.7 million economy whose tranquil appearance obscures the danger signals that lie just below the surface, said the committee chairman, Senator Paul S. Sarbanes, Democrat of Maryland.

"A close inspection of the economy reveals that the current recovery, while long, is fragile, and we are skating on thin ice," he added.

The report cited "danger signals" that include a fall in investment, higher demand for borrowing, possibly higher inflation fueled by rising oil prices and a depressed agricultural sector hurt by low commodity prices.

Republicans said most private economists saw no likelihood of recession and estimated growth of around 3 percent this year and next, similar to Reagan administration forecasts.

Last year, U.S. economic growth was only 2.5 percent, with inflation of 1.1 percent.

"The economy appears to be on a path of stable growth. We're comfortable with the current low rate of inflation, hopeful that interest rates will continue to decline, optimistic that employment opportunities will continue to improve and confident in this nation's resilient, innovative and diversified economy," the Republican report said.

The greatest economic challenge was to reduce the huge U.S. budget deficit, the Republicans added.

The Democrats also said the budget deficit should be cut but favored more spending on education, health, job training and research and development.

But they said it might be difficult to cut interest rates to stimulate the economy, because that might result in a still weaker dollar. A lower dollar could cause inflation as the prices of imports rose.



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Personal service is more than just a tradition at TDB—it's one of the basic reasons for our success over the years. And it makes an important difference to our clients, in a number of ways.

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TDB, the 6th largest commercial bank in Switzerland, is an affiliate of American Express Company, which has assets of more than US\$92 billion and shareholders' equity in excess of US\$5.7 billion.



The Trade Development Bank head office in Geneva, at 96-98, rue du Rhône.

**Currency Rates**

Cross Rates	March 5	YTD
Amsterdam	2.28	112.89
Bremen	2.35	117.29
Frankfurt	1.92	92.50
London (H)	1.59	77.25
Milan	1.31	63.75
New York (C)	0.63	39.38
Paris	1.34	82.50
Tokyo	15.70	967.75
Zurich	1.52	94.50
1 ECU	1.25	79.17
1 SDR	1.25	79.17

*Classics in London and Zurich, flights in other European centers. New York rates of 4 P.M. (C) Commercial (C) Amounts needed to buy one pound (C) Amounts needed to buy one dollar (C) Units of 100 (C) Units of 1,000 (C) Units of 10,000 (C) Not available. (C) To buy one pound: \$1.6384.*

**Interest Rates**

Eurocurrency Deposits	March 5
1 month	6 1/4 - 6 3/4
3 months	6 3/4 - 7 1/4
6 months	6 3/4 - 7 1/4
1 year	6 3/4 - 7 1/4

**U.S. Money Market Funds**

March 5	
Merrill Lynch Ready Asset	5.30
Teleread Interest Rate Index	5.93

**Gold**

March 5	
Hong Kong	434.25
London	411.00
Paris (12.5 Hk)	413.00
Zurich	409.25
New York	411.00

**Spain, Citing Money Target, Raises Reserve Requirement**

**MADRID**—In a move to reduce excess liquidity, the Bank of Spain has raised the reserve requirement for banks and savings banks to 19 percent of deposits from 18 percent.

The central bank said in a statement Wednesday night that if recent excess liquidity in the economy were "not controlled," it "would threaten the monetary and inflation targets set by the government."

Banking sources said that the measure would drain about 200 billion pesetas (\$1.55 billion) from the system. The maximum legal reserve requirement is 20 percent.

Until now, the government has relied mainly on high interest rates to control the money supply and fight inflation. But bankers said this approach was beginning to hurt exporters because it boosted the value of the peseta and made their products more expensive.

The move on bank reserves follows a half-point increase Wednesday in the central bank's key overnight call money rate, which now stands at 13.5 percent. The bank left the rate unchanged at an auction Thursday, however.

Spain's principal measure of money supply, the broad-based liquid assets in public hands, grew at an annual rate of 8.3 percent in January, compared with an 11.4 percent rate for all of 1986 and a target of 8 percent for 1987.

The January figure was encouraging, bankers said, compared with an annual rate of 13.9 percent in December and 10.2 percent in January 1986. But the growth in money supply seems to have accelerated in February, raising government concern, they said.

Recent data have suggested that inflation is under control.

Spain's secretary of state for trade, Miguel Angel Fernandez Ordóñez, said this week that the annualized inflation rate for February, which has not yet been officially reported, fell to 5.5 percent from 6 percent in January. Those rates compare with inflation of 8.3 percent in 1986 and a government target of 5 percent for this year.



Thursday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

Table of stock prices for various companies, including columns for High, Low, and Change.

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U.S. Futures

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CERT. DEPOSIT (90 DAY)

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Monday's Company Results. Revenue and profits or losses in millions are in local currencies unless otherwise indicated.

Paris Commodities. Table of commodity prices for various goods.

London Commodities. Table of commodity prices for various goods.

Spot Commodities. Table of commodity prices for various goods.

DM Futures Options. Table of futures and options prices.

Asian Commodities. Table of commodity prices for various goods.

London Metals. Table of metal prices for various commodities.

Dividends. Table of dividend payments for various companies.

US Treasuries. Table of Treasury bond prices.

Various vertical advertisements on the right edge of the page, including 'France to Retain Ownership', 'N.Y. Judge Refuse', and 'TECHNOLO'.



# Shell 4th-Quarter Profit Falls 12.8%

Compiled by Our Staff From Dispatches  
LONDON — The Royal Dutch/Shell Group reported Thursday that its fourth-quarter profit fell 12.8 percent to \$752 million (\$1.18 billion at current exchange rates) from \$863 million, as lower crude oil prices halved exploration and production earnings.

The giant Anglo-Dutch oil company's fourth-quarter net sales dropped 28 percent from the comparable 1985 period, to \$11.1 billion from \$15.4 billion.

For the full year, profit slipped 16 percent to \$2.54 billion from \$3.03 billion in 1985, with sales falling 30 percent to \$44.2 billion from \$63.1 billion.

Although the figures were lower, they were nonetheless at the top of stock market forecasts. Shares of Shell Transport & Trading PLC, the group's British arm, rose to

£11.42 from a close Wednesday at £11.08.

Analysts noted that a general collapse in exploration and production volumes was partially offset by earnings from chemicals, which more than doubled to \$462 million for the year from £205 million in 1985.

Earnings per share dipped to 24.1 pence in the final quarter for the British unit from 28.7 pence, for an annual 81.6 pence compared with 100.9 pence in 1985. For the Netherlands company, Royal Dutch Petroleum, the quarterly per-share earnings fell to 5.16 guilders (about \$2.49 at current exchange rates), from 6.40 guilders, and totaled 21.19 guilders for the year from 30.13 guilders.

The company said exploration and production earnings plummeted 50 percent in 1986, despite higher crude oil production and natural

gas sales, because of sharply lower crude oil prices. Last year oil prices plunged just below \$10 a barrel in April from \$27 in January, before recovering to the midteens. Royal Dutch, the parent of the Houston-based Shell Oil, said its U.S. earnings were "particularly affected."

Shell Oil's dollar profit fell 47 percent in the year, while the additional effect of the weaker dollar cut the contribution to group income by 57 percent to \$472 million.

Refining, marketing and transportation earnings improved, but Royal Dutch said higher profit margins were partly offset by heavy inventory holding losses on crude oil products.

On a replacement-cost basis, which excludes gains or losses on inventories, fourth quarter earnings were down 36 percent at \$600 million. (UPI, Reuters, AFP)

# USAir Rejects Bid by TWA As 'Grossly Inadequate'

WASHINGTON — USAir Group Inc. on Thursday rejected a takeover offer by Trans World Airlines as "grossly inadequate" and "nothing more than an attempt to disrupt" USAir's offer to purchase Piedmont Aviation Inc.

A USAir spokesman, David Shipley, said the airline would proceed with its attempt to purchase Piedmont on Wednesday by TWA's chairman, Carl C. Icahn, to buy USAir for \$52 a share in cash, or \$1.4 billion.

Mr. Shipley said the board of USAir had instructed its lawyers to fight the move by TWA. Mr. Icahn on Wednesday disclosed that TWA was "Piedmont's largest shareholder" and threatened to take the bid directly to USAir's stockholders via a tender offer.

The offer appeared to cloud USAir's aggressive \$1.65 billion bid of cash and stock for Piedmont. It may also complicate the company's \$400 million acquisition of Pacific Southwest Airlines, although that transaction was given final approval Thursday by the Department of Transportation.

Mr. Icahn, a well-known takeover strategist who won control of TWA last year, said he also would be interested in a combination of TWA, USAir and Piedmont, but did not elaborate.

# Chairman Steps Down Early at RJR

By Arthur Hipbee  
International Herald Tribune

J. Tyles Wilson is stepping down ahead of time as chairman of RJR Nabisco Inc., according to an annual report just published by the company. No successor was named, but industry sources said the move reflected the increasing influence of F. Ross Johnson, the president, who assumed the title of chief executive officer from Mr. Wilson on January 1.

Mr. Wilson originally had been scheduled to step down in January 1988. There was no explanation for his accelerated departure, but he will remain as a consultant until the end of the year.

The move also reflects the increasing preponderance of Nabisco, the company's food processing branch, over RJR, the tobacco branch.

When RJR Nabisco was formed in a merger in 1985, a majority of the executives were RJR people. Today, of 20 corporate executives, 13 are from the Nabisco side.

Both Mr. Wilson and Mr. Johnson are 55. In recent months Mr. Wilson has announced plans to sell the company's Heublein wine and liquor interests and to move company headquarters from Winston-Salem, North Carolina, to Atlanta, Georgia, the RJR headquarters before the merger, to Atlanta. Nabisco was formerly based in Parsippany, New Jersey.

Microelectronics & Computer Technology Corp. of Austin, Texas, a research consortium of 20 large computer, electronics and military contractors, has elected Grant A. Dove as chairman and chief executive officer, effective in July.

The consortium was brought together four years ago by Bobby R. Inman, a former admiral and deputy director of the U.S. Central Intelligence Agency. Mr. Inman, 55, left last year to head Westmark

# Arjil, French Communications Giant, Branches Out With Full-Service Bank

International Herald Tribune

PARIS — With government deregulation and product innovation breathing new life into French financial markets and investment banking targeted as a new growth business, the communications empire run by Jean-Luc Lagardère is expanding into banking.

Banque Arjil, already licensed by the French authorities, will be 85 percent owned by Arjil SA, the personal holding company of Mr. Lagardère.

Mr. Lagardère, 59, is chairman of Matra, the government-controlled missile and electronics company. Through Arjil, he controls Hachette SA, the publishing company now bidding to purchase TF1, France's largest television station, from the government.

The full-service bank will be run by Christian Giacomotto, a veteran banking executive, as chairman. Mr. Giacomotto previously was the chief operating officer of Crédit Industriel et Commercial, a group of regional banks nationalized in 1981 by the Socialists and now slated to be sold back to private investors.

Banque Arjil has an initial capitalization of 130 million francs (\$19.7 million). It aims to be a full-service bank raising money for its corporate clients, arranging mergers and acquisitions, managing the investments of institutional and private clients, advising companies on their treasury operations and financing new ventures.

to set up a brokerage firm. Mr. Rivierin is president of the Caisse Centrale Desjardins, the main investment arm of Quebec's huge credit union movement.

Den norske Creditbank of Norway has promoted Lars U. Thulin from deputy managing director of its London subsidiary to chief executive there. Mr. Thulin, 46, replaces Stein Westell-Aas, 43, who is returning to the parent bank in Norway in a management position.

Goodyear Tire & Rubber Co.'s chairman, Robert E. Mercer, 63, said in a speech denouncing corporate raiders and takeover specialists that "terrorists in three-piece suits are attacking the U.S. industrial base. Goodyear, headquartered in Akron, Ohio, fought off a hostile takeover bid last year by the British industrialist Sir James Goldsmith.

# France to Retain Ownership Veto In Bull Machines

Reuters

PARIS — The Finance Ministry will create a "golden share" in Compagnie des Machines Bull to maintain control over the ownership structure of the computer group after its planned denationalization, the government publication Journal Officiel said Thursday.

Bull, which was nationalized in 1982, is 90.5 percent state-owned. The golden share mechanism gives the Finance Ministry a five-year right to veto the acquisition by French or foreign investors of any shareholding of more than 10 percent in a denationalized company regarded as strategically important to the economy.

The mechanism was used for the first time last year when the government sold an 11 percent stake in the oil group Société Nationale Elf Aquitaine.

Bull is on the government's list of 65 companies for denationalization by 1992.

Last year Bull announced an agreement with Honeywell Inc. and Japan's NEC Corp. to pay \$130 million for a 42.5 percent stake in a joint venture that would take over Honeywell Information Systems Ltd.

# U.S. Firm Seen Mounting Bid for San Miguel

By Nicholas D. Kristof  
New York Times Service

MANILA — The New York investment firm Allen & Co. is trying to form an investor group to acquire San Miguel Corp., by far the largest company in the Philippines, according to a government official.

Ramon Diaz, the secretary-designate of the Presidential Commission on Good Government, said Wednesday in an interview that Allen was seeking to assemble a group of foreign and local investors to make a bid.

He said that Elders Ltd., a Melbourne-based brewery, and Bond Corp., International, the Asian company owned by Alan Bond, an Australian brewer and entrepreneur, also were interested in acquiring at least a stake in San Miguel.

San Miguel is a pillar of the Philippine economy. With its subsidiaries, it accounts for 3.5 percent of the country's gross national product and 5 percent of its tax revenue.

The conglomerate started as a brewery and still supplies more than 90 percent of the beer in the Philippines. But it has diversified and now supplies 90 percent of the country's ice cream, 40 percent of its cheese and 98 percent of its milk. In addition, it owns 70 percent of the Coca-Cola bottling company in the Philippines.

Mr. Diaz said that a representative of Allen & Co. had met with him several times. Analysts said that acquiring the company would be difficult but not impossible, and would cost \$1 billion or more. Under local laws, Filipinos would have to retain 60 percent or more of the company.

Bert Pasquin, a spokesman for San Miguel, said he could not comment on the report. In Hong Kong, Siu Ka-ye, a spokesman for Bond, said he was unaware of any acquisition discussions with the Philippine company. And in Melbourne, a spokesman for Elders, Robin Coffey, said it was his company's policy not to comment on acquisition rumors.

But insiders at Allen said that an agreement was "in the embryonic stage" and "could be six months away." The Allen family has had major interests in the Philippines for more than 40 years and once controlled Benguet Consolidated Mining Co.

# Swedish Match Profit Nearly Quadruples

By Jucis Kaza  
Special to the Herald Tribune

STOCKHOLM — Swedish Match, the maker of matches, lighters, floor coverings and kitchen furnishings, said Thursday that its net income nearly quadrupled last year to 754 million kronor (\$117 million) from 195 million kronor in 1985.

Sales were barely changed at 10.9 billion kronor, compared with 10.7 billion in 1985.

The company's president, Hans Larsson, attributed much of the sharp improvement to a one-time gain from last year's sale of Swedish Match's shares in Huvudstaden, a real estate holding company. The sale resulted in an after-tax gain of 403 million kronor.

The results were in line with analysts' predictions.

Mr. Larsson said proceeds from the Huvudstaden sale were used to retire some debt and to reduce costs.

He also said that West Germany's antitrust agency had said it would not interfere with the Swedish group's acquisition of Pepsan AG, a floor-coverings manufacturer, from BAT Industries. Swedish Match says the purchase will about double its sales of floor coverings, which totaled 2.6 billion kronor last year.

Operating profits for the group rose slightly to 667 million kronor from 649 million kronor in 1985. But in the group's single largest business area, Consumer Products — which include traditional matches and lighters — operating earnings fell 30 percent to 174 million kronor from 253 million kronor in 1985. The lower figure partly reflected losses at the Cricket lighter operation, which the group acquired from Gillette Co. of the United States in 1985.

Operating earnings rose at all other divisions, except the Alby chemicals unit, which had costs associated with start-up operations in Canada.

Mr. Larsson denied reports that Swedish Match was considering selling its Aakerlund & Rausing packaging subsidiary, calling it the unit with "the greatest potential for growth." The packaging subsidiary boosted operating profits to 90 million kronor from 58 million kronor in 1985.

Swedish Match proposed an increase in the dividend to 12.50 kronor per share from 10.50 kronor in 1985. The company also announced a share split that would divide all present shares into five new shares.

# Allis-Chalmers Will Sell Units To Keep Afloat

Compiled by Our Staff From Dispatches

WEST ALLIS, Wisconsin — Allis-Chalmers Corp., a one-time farm equipment giant, has announced plans to sell all its businesses except for American Air Filter Co. of Kentucky as part of a restructuring to avoid going to bankruptcy court.

The plan announced Wednesday also calls for raising more than \$100 million through public financing, deferring payment of about \$40 million in privately held debt and trimming employee health benefits.

It provides for the conversion of substantial amounts of Allis-Chalmers institutional debt into common stock as well as the exchange of preferred stock for common stock.

Allis-Chalmers sold its agricultural business in 1985 and its materials handling company in 1986 because of debt that at one point was more than \$200 million. Fluids handling and materials processing units would be sold under the new proposal.

# Fed Proposes Swap Rules for Banks

By Eric N. Berg  
New York Times Service

NEW YORK — The Federal Reserve Board and the Bank of England, in another move aimed at strengthening the world banking system, have announced a new proposal that would require increased capital levels at banks.

The announcement Wednesday reflected a deepening concern among regulators that banks are undercapitalized, given the increasingly risky nature of their assets, including loan obligations, and globalization of financial markets.

The new proposal would require banks to set aside capital for "interest-rate swaps" and "currency swaps."

Swaps, in which commercial banks and investment banks act as intermediaries, allow a corporation to borrow in one form and pay back at a rate that is the cheapest or in a currency to which it has access.

A company might, for example, seek to exchange obligations in one currency for obligations in another currency. Or it could exchange a variable-rate obligation for one with a fixed rate.

The proposal, which would make some of the largest American and British financial institutions raise cash, would have a major effect on only a few large banks, such as

Citibank, Bankers Trust, Chemical Bank and Manufacturers Hanover.

It received a chilly reception from bankers. At the American Bankers Association, William Bories, a lawyer and lobbyist for the trade group, said the Fed's proposal could "drive banks out of the market for swaps or cause them to be left with the riskiest credits."

In recent months, several regulators have urged moves to strengthen banks. L. William Seidman, chairman of the Federal Deposit Insurance Corp., has called for a closer link between a bank's insurance premiums and the risks it takes. Robert L. Clarke, the U.S. Comptroller of the Currency, has called for increased power to rescue failing banks.

The emergence of swaps as the fastest growing area in commercial banking has meant increased risk to the banks.

Problems arise for banks when one of the borrowers in a swap defaults. Under a swap, a bank agrees to make interest or principal payments for a defaulted borrower. The concern of Fed officials about swaps has been heightened by the fact that under current ac-

counting rules swaps do not appear on banks' financial statements. They are off-balance-sheet items.

The new plan, which has been approved unanimously by the Fed's board of governors, is an extension of a proposal for increased bank capital that the Federal Reserve and the Bank of England announced in January.

In its own proposal, the Fed board wrote: "The credit risk inherent in such contracts now constitutes a significant element of the risk profiles of some banking organizations, most notably the large multinational banking organizations that act as intermediaries between end users of these contracts."

The Fed's proposal provides a formula that bankers would use to calculate the cost to their institution of finding a replacement for a bank's borrower in a swap. Another formula would figure the cost to the bank if interest rates or exchange rates had changed since the swap was undertaken. These two costs would be added to the bank's other exposures to calculate its total vulnerability to loss.

# COMPANY NOTES

Bank of America is selling its license for Visa credit cards in West Germany to Banco de Santander of Spain, for more than 40 million Deutsche marks (about \$21.8 million), West German banking sources said.

British Aerospace PLC's civil aircraft division has received new orders worth over \$260 million for 13 of its BAe 146 regional jetliners and six Jetstream 31 light commuter planes. It will increase production of the BAe 146 to 40 planes a year by 1990 from 28.

Castle & Cooke, the U.S. food company, will sell slightly more than half of its Fleet-Van shipping container leasing operations to Irel Corp. for about \$215 million in cash, notes and stock, for an after-tax loss of \$33.9 million. The loss was recognized in the company's fourth quarter, resulting in a \$31.9 million loss for the period compared with a \$3.3 million loss in the fourth quarter of 1985. Irel is already in the container-leasing business.

Compagnie Française des Pétroles subsidiary, Total Marine North, has signed an accord with a Norwegian consortium, Bocconor, to market oil projects in the Soviet Union. Total Marine's director, Rolf Erik Rosten, said he had the impression after visiting Moscow that the Soviet Union was interested in cooperating with Western companies to develop offshore oil and gas fields.

Compagnie Générale d'Electricité, the French electrical engineering group, is likely to be denationalized during May of this year, sources close to Finance

Minister Edouard Balladur said. It would follow closely the denationalizations of the TFI television channel and Agence Havas, the media group.

Hoechst AG said group pretax profit in 1986 would be slightly lower than the 3.16 billion Deutsche marks (\$1.72 billion at current exchange rates) posted in 1985, while parent company pretax profits would rise slightly from the 1.62 billion DM in 1985. Group turnover fell slightly to 38 billion DM from 42.72 billion in 1985, and parent company turnover fell to around 14 billion DM from 15.35 billion.

Hughes Tool Co.'s board has voted to end a merger agreement with Baker International Corp., a rival oil-field service company, prompting Baker to file suit to enforce the agreement, first reached in October. The two companies have not been able to agree on plans to comply with Justice Department antitrust guidelines.

Municium AG, the West German diversified engineering and pipe-making group, said it was seeking a stake in at least one U.S. company to strengthen its presence in that market, but has not yet found a suitable candidate.

Occidental Petroleum Corp. has further increased its new common stock offering to a total of 37.95 million shares. Underwriters exercised in full their option to increase the offering by buying another 4.95 million shares after launching 33 million Wednesday. Before the offering, the U.S. oil company had 165 million shares outstanding.

# N.Y. Judge Refuses to Dismiss Suit Against GM for Perot Stock Buyout

The Associated Press

NEW YORK — A New York state judge has refused to dismiss a stockholder suit against General Motors Corp., saying its \$700 million buyout of H. Ross Perot last year "seems unwelcome enough to constitute a wrong."

The \$1.5 billion lawsuit was filed by Milledge A. Hart 3d of Dallas on behalf of GM Class E stockholders. Mr. Hart contended that GM's buyout of Mr. Perot, after a series of disagreements between Mr. Perot and the company, was "a waste of corporate assets and breach of fiduciary duty" at a time when GM closed 11 plants and fired 30,000 workers.

In a decision published Wednesday, State Supreme Court Justice

Irma Vidal Santaella said the buyout "gives Perot a financial preference over other Class E stockholders, who will have to wait until 1991 for parity with him."

Mr. Perot, founder of Electronic Data Systems, acquired his shares when GM bought EDS for \$2.55 billion in October 1984.

Mr. Hart, who helped Mr. Perot found EDS in 1962, said GM paid Mr. Perot \$350 million more than his stock was worth as a "bribe" to get him out of the company and shut him up.

Mr. Hart, owner of 144,000 shares of GM Class E, said the buyout was motivated by the "self-interest of the board in entrenching and perpetuating their rears by silencing Perot's criticism of their mismanagement."

# TECHNOLOGY: CD Bookshelf

(Continued from first finance page)

S. Rothchild, a San Francisco-based expert on optical disks, recently lowered his projection of 1990 sales of CD-ROM players from 2.4 million to 700,000. He said that some computer makers thinking of distributing software through CD-ROMs might switch to other forms of optical disks that can transfer data faster and offer users the chance to record their own information.

The retail market is expected to develop particularly slowly because consumers might be reluctant to buy expensive players with so few disks available. CD-ROM disks cannot be played on musical CD players.

"If the customer cannot buy, size the customer cannot buy," said Jean-Louis Gassée, vice president of product development at Apple Computer. "I love the technology myself."

in a marriage, attraction is not commission. Some see a bright future for CD-ROMs in education and entertainment. Besides text and graphics, such disks can store sound and animation and even limited video. A CD-ROM encyclopedia article on John F. Kennedy could play excerpts from his speeches, for instance.

Philips, the Dutch electronics giant, is expected next year to introduce CD-Interactive, a machine that would attach to a television set and stereo and play CD-ROM disks without requiring a computer.

Still, the CD-Interactive plans are coming under criticism and alternatives are likely. RCA demonstrated a technology Tuesday that would allow one hour of video to be encoded on a CD-ROM disk. If such technology catches on, it could mean the death of the CD-Interactive system.

# FIDELITY AMERICAN ASSETS N.V.

Registered Office: Schottegatweg Oost, Salinja, Curaçao, Netherlands Antilles

Notice of Annual General Assembly of Shareholders  
Please take notice that the Annual General Assembly of Shareholders of Fidelity American Assets N.V. (the "Corporation") will take place at 2:00 p.m. at Schottegatweg Oost, Salinja, Curaçao, Netherlands Antilles, on March 17, 1987.

The following matters are on the agenda for this Meeting:  
1. Report of the Managing Directors.  
2. Election of seven Managing Directors.  
The Chairman of the Management proposes the re-election of the following seven existing Managing Directors:  
Edward C. Johnson 3d  
William L. Byrne  
Charles A. Frasser  
Hiroshi Kurokawa  
John M.S. Patton  
H.F. Van den Hoven

3. Approval of the Balance Sheet and Profit and Loss Statement for the fiscal year ended November 30, 1986.  
4. Ratification of actions taken by the Managing Directors since the last Annual Assembly of Shareholders, including payment of an interim dividend in respect of the fiscal year ended November 30, 1986 and authorization of the Managing Directors to declare an additional dividend in respect of fiscal 1986 if necessary to enable the Fund to qualify for "distributor" status under United Kingdom tax law.  
5. Ratification of actions taken by the Investment Manager since the last Annual General Assembly of Shareholders.  
6. Such other business as may properly come before the Meeting.

A form of proxy may be obtained from the following institutions:  
The Bank of Bermuda Limited  
Hamilton, Bermuda  
Kredietbank S.A. Luxembourgise  
43, Boulevard Royal, Luxembourg

Holders of registered shares may vote by proxy by mailing a form of proxy obtained from the Corporation's Principal Office in Pembroke, Bermuda, or from the Banks listed above, to the Corporation at the following address:  
Fidelity American Assets N.V.  
c/o Amaco Holdings & Trust Company N.V.  
P.O. Box 305  
Curaçao  
Netherlands Antilles

Holders of bearer shares may vote by proxy by mailing a form of proxy and certificate of deposit for their shares obtained and filed in the manner described in the preceding sentence. Alternatively, holders of bearer shares wishing to exercise their rights personally at the Meeting may deposit their shares, or a certificate of deposit therefor, with the Corporation at Schottegatweg Oost, Salinja, Curaçao, Netherlands Antilles, against receipt therefor, which receipt will entitle said bearer shareholders to exercise such rights.

All proxies (and certificates of deposit issued to bearer shareholders) must be received by the Corporation not later than 1:00 p.m. on March 17, 1987, in order to be used at the Meeting.

By order of the Management  
Charles T.M. Collis  
Secretary

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CH 1884 Villars sur Ollon ☎ 025/35 12 78

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**Thursday's AMEX Closing**

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

11 Month High/Low	Stock	Div. Yld. PE	52 High/Low	Close	Chg.
14 1/2	ACI Mid	1.28	12	14 1/2	+
17 1/2	ACI	1.18	19	17 1/2	+
17 1/2	ACI	1.18	19	17 1/2	+
17 1/2	ACI	1.18	19	17 1/2	+
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17 1/2	ACI	1.18	19	17 1/2	+
17 1/2	ACI	1.18	19	17 1/2	+
17 1/2	ACI	1.18	19	17 1/2	+

**INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 5 March 1987**

Fund Name	Assets	Share Price	Change
AL M&M MANAGEMENT	\$ 267.0	10.12	+
ALM&M TRUST	\$ 267.0	10.12	+
BANK JULIUS BAER & CO. LTD.	\$ 267.0	10.12	+
BANK OF AMERICA	\$ 267.0	10.12	+
BANK OF CANADA	\$ 267.0	10.12	+
BANK OF INDIA	\$ 267.0	10.12	+
BANK OF JAPAN	\$ 267.0	10.12	+
BANK OF MEXICO	\$ 267.0	10.12	+
BANK OF NEW ZEALAND	\$ 267.0	10.12	+
BANK OF SOUTH AFRICA	\$ 267.0	10.12	+
BANK OF SWITZERLAND	\$ 267.0	10.12	+
BANK OF THAILAND	\$ 267.0	10.12	+
BANK OF U.S.A.	\$ 267.0	10.12	+
BANK OF VIETNAM	\$ 267.0	10.12	+
BANK OF YUGOSLAVIA	\$ 267.0	10.12	+
BANK OF ZAMBIA	\$ 267.0	10.12	+
BANK OF ZIMBABWE	\$ 267.0	10.12	+
BANK OF AUSTRALIA	\$ 267.0	10.12	+
BANK OF BRAZIL	\$ 267.0	10.12	+
BANK OF CHINA	\$ 267.0	10.12	+
BANK OF DENMARK	\$ 267.0	10.12	+
BANK OF FINLAND	\$ 267.0	10.12	+
BANK OF FRANCE	\$ 267.0	10.12	+
BANK OF GERMANY	\$ 267.0	10.12	+
BANK OF GREECE	\$ 267.0	10.12	+
BANK OF HONG KONG	\$ 267.0	10.12	+
BANK OF INDONESIA	\$ 267.0	10.12	+
BANK OF ITALY	\$ 267.0	10.12	+
BANK OF JAPAN	\$ 267.0	10.12	+
BANK OF KOREA	\$ 267.0	10.12	+
BANK OF MALAYSIA	\$ 267.0	10.12	+
BANK OF NETHERLANDS	\$ 267.0	10.12	+
BANK OF NORWAY	\$ 267.0	10.12	+
BANK OF POLAND	\$ 267.0	10.12	+
BANK OF PORTUGAL	\$ 267.0	10.12	+
BANK OF ROMANIA	\$ 267.0	10.12	+
BANK OF RUSSIA	\$ 267.0	10.12	+
BANK OF SPAIN	\$ 267.0	10.12	+
BANK OF SWEDEN	\$ 267.0	10.12	+
BANK OF SWITZERLAND	\$ 267.0	10.12	+
BANK OF THAILAND	\$ 267.0	10.12	+
BANK OF U.S.A.	\$ 267.0	10.12	+
BANK OF VIETNAM	\$ 267.0	10.12	+
BANK OF YUGOSLAVIA	\$ 267.0	10.12	+
BANK OF ZAMBIA	\$ 267.0	10.12	+
BANK OF ZIMBABWE	\$ 267.0	10.12	+

**Floating-Rate Notes**

Issuer/Note	Face Value	Yield	Price
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00
Alcoa Floating Rate	\$ 100,000,000	10.00%	100.00

**AMEX High-Lows**

Stock	High	Low
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00
AMEX	100.00	95.00

**Deutsche Marks**

Bank/Rate	Rate
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00
Deutsche Bank	1.00

**India Seeks Rail Loan**

NEW DELHI — India's railway ministry is seeking a \$250 million loan from the World Bank to import 450,000 metric tons (495,000 short tons) of rails over the next three years, government officials said Thursday.

The ministry wants to import 150,000 metric tons of rails annually from the fiscal year that ends March 31, 1988, to construct 20,000 kilometers (12,368 miles) of new track.

**Currency Market**

**Dollar Lower**

**EUROMARKET**

**New Issues Con**

**Thursday OTC Prices**

مكتبة الأمل



CURRENCY MARKETS

Dollar Lower on U.S. Aide's Remark

NEW YORK — The dollar fell Thursday in New York and London in selling prompted by a U.S. official's comments that the dollar could fall up to 15 percent against the yen.

London Dollar Rates

Table with columns: Currency, Bid, Ask, Bid, Ask. Includes Sterling, Swiss Franc, Deutsche Mark, Japanese Yen, French Franc, British Pound.

Other, the U.S. undersecretary of commerce, said in a speech at an Export-Import Bank luncheon that he did "not regard the dollar as undervalued against the yen."

Lagos Protects Dollar Reserves

LAGOS — Nigeria applied administrative controls Thursday to sell less foreign exchange at its weekly auction, in a move analysts said reflected declining dollar revenues from oil.

Yen Stability With EC Currencies Creates Friction

TOKYO — The yen's surge against the U.S. dollar has obscured the Japanese currency's stagnation against major European currencies and the resulting friction on exchange rates and trade, Japanese and European officials say.

M-1 Rises \$1.9 Billion In U.S. in Latest Week

NEW YORK — The basic measure of U.S. money supply, M-1, rose \$1.9 billion in a seasonally adjusted \$73.5 billion in the week ended Feb. 23, the Federal Reserve said Thursday.

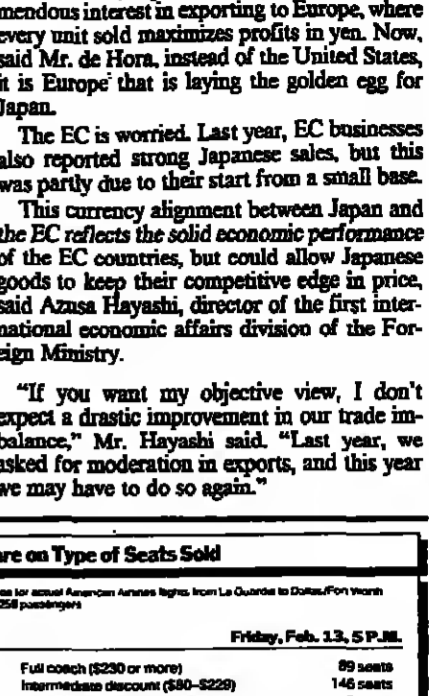
FARE: Yield Management, 'Dark Science' of Airlines

(Continued from first insurance page) term flights, but often not until the day of departure. The airlines reserve blocks of seats for those frequent flyers. Few, if any, discounts are made available.

It's probably the No. 1 tool required to compete in this highly competitive airline environment.

— Lee R. Howard, airline consultant

How Two Flights Compare on Type of Seats Sold



THE EUROMARKETS

New Issues Continue but at Slower Pace

LONDON — There was a further rush of new bonds Thursday in the Eurobond market, although the pace slowed from Wednesday's hectic levels with only about 10 new issues launched, dealers said.

Good luck getting a Q fare from New York to Chicago on Friday afternoon.

NEW YORK — Good luck getting a Q fare from New York to Chicago on Friday afternoon, said James J. Haragan, president of United Airlines, using the industry's parlance for the low priced, supersaver ticket.

Yield management, 'dark science' of airlines

Effective inventory management alone can improve an airline's revenues by 5 percent to 20 percent annually, analysts estimated. Mr. Martinez said American's system was worth "hundreds of millions of dollars" a year to the airline.

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Table of OTC prices for Thursday, March 6, 1987. Columns include stock symbols, prices, and changes.

Table of 12 Month High/Low Stock prices. Columns include stock symbols, high, low, and change.

Table of 12 Month High/Low Stock prices. Columns include stock symbols, high, low, and change.

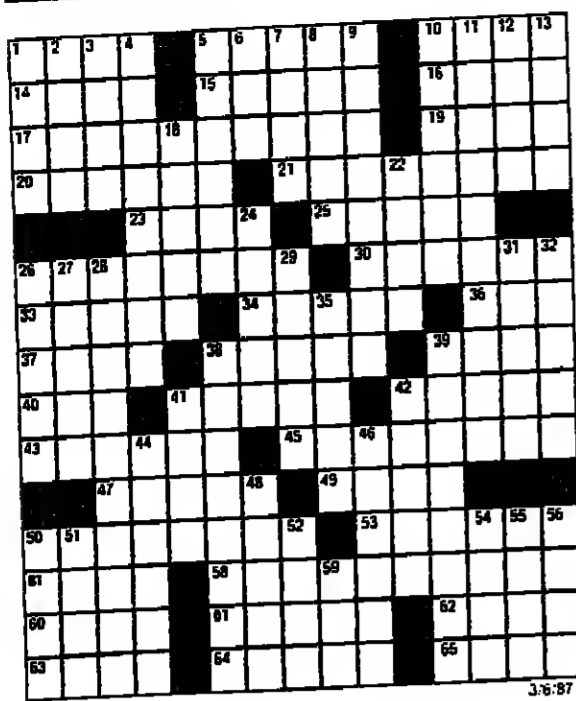
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- ACROSS**
- 1 Former labor leader
  - 5 Quantity of arrows
  - 10 Mighty Meccan
  - 14 Lucknow lady
  - 15 Director of "It's a Wonderful Life"
  - 16 Slinger
  - 17 Mont Cervin
  - 19 Funds for Franco: Abbr.
  - 20 Raglan, e.g.
  - 21 Falls
  - 23 Shorten sail
  - 25 Elbe feeder
  - 26 Ordered back
  - 30 Nitrogen and carbon dioxide
  - 33 Coe's
  - 34 Compatriot dances
  - 36 Long
  - 37 Kyle or Tobin of football fame
  - 38 Beaumont-scale recordings
  - 39 Friche
  - 40 N. Y. C. subway
  - 41 Unguent
  - 42 Tooth, to a Tuscan
- DOWN**
- 1 "— and the Man": Shaw
  - 2 Rearden prod
  - 3 Crafted, in heraldry
  - 4 Educated
  - 5 Tired
  - 6 Cry of triumph
  - 7 Long heroic tale
  - 8 Capital of Pas-de-Calais
  - 9 Domestic pigeons
  - 10 Deflate via
  - 11 Briting wit
  - 12 Germany, 10 Doenitz
  - 13 Wings
  - 14 Jack and
  - 15 Sports catch
  - 16 Scottish Johns
  - 17 Deavy
  - 18 Portuguese town
  - 19 Austrian statesman: 1773-1859
  - 20 Dig for data
  - 21 Sample
  - 22 Beasily
  - 23 Deavy
  - 24 Correct texts
  - 25 A spice
  - 26 Formed plywood
  - 27 Rational
  - 28 Hold up
  - 29 Area
  - 30 Avedones
  - 31 Irish port
  - 32 Beat men
  - 33 Musette
  - 34 Manche's capital
  - 35 Baylor's site
  - 36 Opposite of 62
  - 37 Biblical kingdom
  - 38 Spread hay

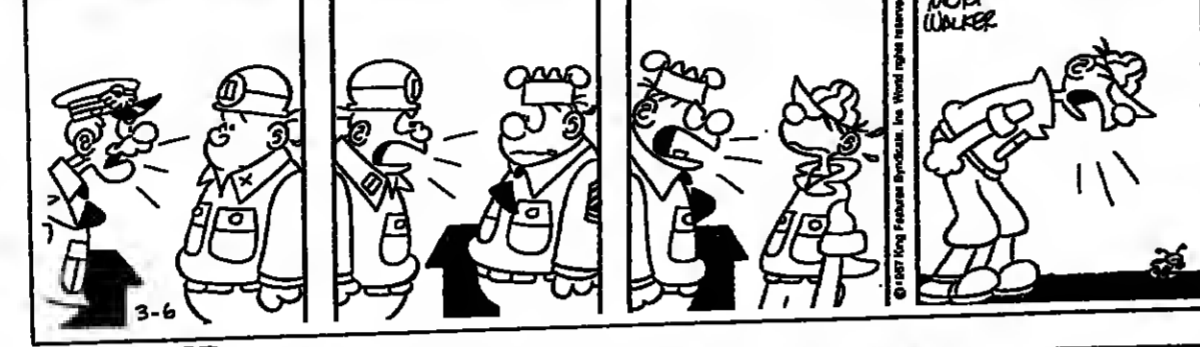
PEANUTS



BLONDIE



BEEBLE BAILEY



ANDY CAPP



WIZARD of ID



REX MORGAN



GARFIELD



BOOK BRIEFS

**LOOK HOMEWARD:** A Life of Thomas Wolfe, by David Herbert Donald. Little, Brown, 34 Beacon Street, Boston, Mass. 02106. "Nowhere," Thomas Wolfe once declared, "can you escape autobiography whenever you come to anything that has any real or lasting value in letters." Certainly that was true of Wolfe's own work, which formed a virtual month-by-month, year-by-year chronicle of his life, set down in rhapsodic, overheated prose. Set in a thickly veiled version of Asheville, North Carolina, his first novel, "Look Home-ward, Angel," portrayed the author's self-dramatizing, combative family and his own tumultuous coming of age. "Of Time and the River" continued the saga of Wolfe's stand-in, Eugene Gant, recounting his difficulties at Harvard, his attempts to become a teacher and his discovery of Europe as a young man. "The Web and the Rock" recapitulated many of the themes of "Look Homeward, Angel" through the eyes of another alter ego named George Webber, and "You Can't Go Home Again" told of George's subsequent adventures as a writer. It was Wolfe's ambition to become, in David Herbert Donald's words, "the bard of America," and at his best he managed to evoke the early romance of the continent, capturing in the rhythms and images of his language a brooding, nostalgic sense of the nation — its spiritual promise and its desolation. Yet at his worst — and as Donald notes, he probably wrote more bad prose than any other major writer — Wolfe was capable of lapsing into adolescent sentiment, frightening self-absorption and often simple incoherence.

Donald — who won a Pulitzer Prize for "Charles Sumner and the Coming of the Civil War" — has written a comprehensive and absorbing book that both underlines the correspondences between Wolfe's fiction and his life and illuminates the psychological underpinnings of his art. (Michiko Kakutani, NYT)

THE OTHER NUREMBERG: The Untold Story of the Tokyo War Crimes Trials, by

**Solution to Previous Puzzle**

NEGVE ECCE FEAR  
ACAGE ITHAD OGRE  
THEOREGANTRAIL  
SOL BARN RELAY  
LOST EMUS  
CUTSTREEMUSTARD  
MONDE PITT WAY  
ANIS BASTE ZALE  
SCT TONO BORED  
TRYMEONMYHANDS  
OSTE IOLE  
CHART CELL LIFE  
HEROANDOLEANDER  
URIS ENID SOLTII  
MALE FANS TREES

THE JAPANESE EDUCATIONAL CHALLENGE: A Commitment to Children, by Merry White. The Free Press, 966 Third Avenue, New York, N.Y. 10022.

Fifteen-year-old Kenji holds up seven fingers to his friend; he signifies his usual seven hours of sleep the night before, eight hours would cut into his study time and jeopardize his chances of passing the examinations for admission to an elite high school. Such is the story told by Merry White in "The Japanese Educational Challenge," a revealing book on Japan's highly successful education system.

White's interest in Japanese education arose when she was writing an undergraduate thesis at Harvard 25 years ago. In "The Japanese Educational Challenge," White depicts the Japanese educational accomplishments by anecdote and impression, by firsthand and interpreted. Her excellent firsthand account should be a stimulating report for parents and educational reformers. (Herbert Walberg, WP)

DENNIS THE MENACE



JUMBLE THAT SCRAMBLED WORD GAME

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

**NILOG**

**CUJY**

**ENMECT**

**HONGIM**

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

ANSWER: WHAT'S IN THE BOX?

WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Algeria	22	12	Bangkok	22	18
Amsterdam	14	10	Beijing	22	12
Antwerp	14	10	Hong Kong	27	17
Berlin	14	10	Manila	27	17
Bombay	22	18	Osaka	27	17
Buenos Aires	22	18	Seoul	27	17
Calcutta	22	18	Singapore	27	17
Cairo	22	18	Tokyo	27	17
Cardiff	22	18			
Chicago	22	18			
Copenhagen	22	18			
Dublin	22	18			
Hankow	22	18			
Hong Kong	27	17			
Kobe	27	17			
London	22	18			
Lyons	22	18			
Madrid	22	18			
Manila	27	17			
Medan	27	17			
Osaka	27	17			
Seoul	27	17			
Singapore	27	17			
Tokyo	27	17			
Yokohama	27	17			

World Stock Markets

Via Agence France-Press March 5  
Closing prices in local currencies unless otherwise indicated.

Amsterdam	London	Paris	Sydney
ABN 903	AA Corp 184	Alcatel 187	AGL 2.95
Alcoa 494	Amalgamated 255	Alfa Laval 295	AGL 2.95
Alstom 112	Anglo 255	Alstom 112	AGL 2.95
Amoco 112	Anglo 255	Alstom 112	AGL 2.95
Amsted 112	Anglo 255	Alstom 112	AGL 2.95
Amsted 112	Anglo 255	Alstom 112	AGL 2.95

Stock Index

Amsterdam	London	Paris	Sydney
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1

Scoreboard

Amsterdam	London	Paris	Sydney
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1

College Results

Amsterdam	London	Paris	Sydney
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1
Amsterdam 323.8	London 101.1	Paris 101.1	Sydney 101.1

مكذمان الأحرل



SPORTS

No-Glitter Boxer's Golden Opportunity Against Tyson

By Earl Guskey
Los Angeles Times Service
LILLINGTON, North Carolina—The white house is set back from a two-lane country road that winds through the North Carolina woods.



James (Bonecrusher) Smith gets ready for Tyson fight.

Inside, in an office, is the man who on Saturday night will box Mike Tyson in Las Vegas in a heavyweight fight that will unify the World Boxing Council and World Boxing Association heavyweight championships.

"Bone has made a lot of money and bought a nice big house in the last few years, but he's really over-changed," Tanner said. "Basically, he's a friendly, gentle, good-hearted man. And he's very loyal."

"I spent most of my boyhood laboring under the fantasy that one day I'd be a star in the NBA," he said. "I figured that was over when I stopped growing at 6-foot-4 (1.94 meters). Then I went out for football and played one year at defensive tackle, but I wasn't much good. I never put on a pair of boxing gloves until I was in the Army."

"At that time Joe's son, Marv, was the No. 1 amateur heavyweight in the country, and Joe was spending a lot of time working with him. I didn't feel I had a future in that situation, so I came home. Besides, I was afraid I'd burn myself out at Frazier's gym. When you get into a ring in a Philadelphia gym to spar, every-

something like a 7-1 underdog at the opening bell against Tyson but simply his getting the fight is surprising.

Back in December, the promoter Don King was having trouble getting the WBA champion, Tim Witherspoon, and Tony Tubbs into a Madison Square Garden ring for one of his heavyweight tournament bouts to unify the heavyweight championship. Tubbs pulled out, claiming an injury. King said he was holding out for more money. Seven days before the fight, King called Smith.

"He called me at home here one night and said, 'Are you interested in fighting Witherspoon?' and I said 'Sure!'"

Retelling it, Smith leans back in his executive chair and enjoys a hearty laugh, recalling how he had beaten Witherspoon that night as if Witherspoon had stepped on something. The first punch of the fight, a long right hand, landed on the side of Witherspoon's head, and staggered him. Smith knocked him down three times.

When the fight was stopped, the 33-year-old Smith was the WBA champion, having taken the title from a man who had beaten him soundly in 1985.

"At his best, Witherspoon is a real good fighter," he says. "He beat me badly in '85. (Larry Holmes beat me, too. But against Holmes I always had a feeling I was one punch away from turning the fight around. Witherspoon beat me in every round. He dominated me. But in the second fight, I got in that first punch and I was in charge immediately."

Smith suggests that those picking Tyson to examine the record.

"Three of the hardest punchers in the division are Witherspoon, (Mike) Weaver and (Frank) Bruno, and I've knocked all of them out," he says. "Why? Because his litters like that are made for my style. If they come after me, I'm my best. Tyson, I think he carries too much weight for his frame. I'll take him into the eighth, ninth rounds and then watch him slow down."

Brad Carter, head of SMU's religious studies department, said the school's current debate in the midst of an aggressive effort to upgrade its academic standing reflected a broader conflict in the state.

"It's a can-do city. Instead of selling its academic reputation, the idea of success for the people who ran the school was something you could put a finger on right now. The school is run by people in Dallas who are very ambitious, and for them being ambitious reaches toward athletic success, and in Texas athletic success means football success."

Don Meredith, the former Cowboys quarterback and broadcaster, once said, "There's no ego trip in the world quite like being a high school football star in Texas." But there is another side to the coin. When the high school team in the town of Crosby got off to a bad start in 1983, Ronnie Davenport, the coach, and two assistants had to wear bulletproof vests to a game

Jordan Hits a New High With 61 Points for Bulls

The Associated Press
NEW YORK — On a night when Jeff Malone surged and Gerald Wilkins soared, scoring honors in the NBA went where they usually go — to Michael (Air) Jordan.

The league's leading scorer hit for 61 points Wednesday night, a regular-season career high in leading the Chicago Bulls to a 125-120 overtime victory over the Detroit Pistons. It was the highest point total in the National Basketball Association this season, exceeding Jordan's own 58-point performance Feb. 26 against New Jersey.

Malone set several club records by scoring 48 points for Washington in a 117-114 victory over New Jersey. Wilkins had 41 as New York beat Philadelphia, 102-99.

But it was Jordan that flew above those performances and around everyone trying to guard him.

"You're never really unstoppable, but I felt close to it," said Jordan, who scored 26 of the Bulls' 33 fourth-quarter points and had 35 in the second half. His jumper over the Pistons center Bill Laimbeer

NBA FOCUS

beer with 14 seconds left in the fourth quarter forced overtime. "I kept coming up with a lot of shots people haven't seen. I know I haven't seen some of them," said Jordan, who was averaging 37.3 points a game at the start of the week.

Jordan's previous regular-season high was his 58 last week against the Nets. He established a Pistons Silverdome record, beating the 56 by Kelly Tripucka, then a Piston, against the Bulls on Jan. 29, 1983.

Jordan's all-time NBA high is 63 points against the Boston Celtics last April 20 in the playoffs.

How many more can he score? "I hate to put a limit on what I can do. I just want to improve as a player," Jordan said.

But he dismissed consideration of challenging Wilt Chamberlain's record of 100 points, set 25 years ago this week.

"That's impossible with the way the game has changed," said the 6-foot-6 (1.99-meter) guard. "Scoring whatever I scored tonight was tough enough."

Jordan had some help. Sedale Threatt, a reserve guard, scored eight of his 19 points in overtime. "He was unstoppable tonight," said the Bulls coach, Doug Collins, said of Jordan. "When he shoots the outside jumper like he was tonight and you come up on him, he blows by you."

"The guy has great heart. It's like Boston with (Larry) Bird and L.A. with Magic (Johnson). When you see a guy playing like that, it picks everybody up."

Adrian Dantley scored 32 points and Isaiah Thomas 31 for Detroit.

In Landover, Maryland, Malone had his most productive night in the NBA. The Bulls guard made 17 of 27 field goal attempts in setting a Capital Centre scoring record. His 31 points in the second half established a record for points in a half by a Washington player. He finished eight points shy of Earl Monroe's franchise mark, set in Baltimore in 1968.

Oilers Shine After a Sunny Vacation

The Associated Press
VANCOUVER, British Columbia — A little rest and relaxation was just what the Edmonton Oilers needed after a four-game losing streak on the road.

Fresh from several days in sunny Arizona, the Oilers ended their slide Wednesday night, getting goals from eight players to bombard the Vancouver Canucks, 8-5.

"This shows just how important rest can be to hockey," said the Oilers captain, Wayne Gretzky, who scored his 55th goal of the season and assisted on two others. "It was a gutsy move because management could have taken us home."

"Now it seems like a new season. We're ready for the playoff drive. We play Calgary three times and

NHL FOCUS

Winnipeg once. It should be fun." The Oilers regained the overall lead in the NHL standings with 81 points, two more than the Philadelphia Flyers, and took a seven-point lead over the Winnipeg Jets and the Calgary Flames in the Smythe Division standings.

"It all goes to show that you've got to keep an even keel in this game," said Edmonton's coach, Glen Sather. "You can't get too cocky when you're up and too depressed when you're down."

Scoring for the Oilers were Esa Tikkanen, Mark Messier, Craig MacTavish, Paul Coffey, Jaroslav Pouzar, Jari Kurri, Gretzky and Glenn Anderson.

Gretzky ran his NHL-leading point total to 153 after being held scoreless the previous two games.

Fighting Fireman Wins IBF Crown

BASILDON, England (AP) — Terry Marsh, a fireman who also boxes, took the International Boxing Federation junior welterweight title from Joe Louis Manley of the United States before a hometown crowd of 6,000 in a circus tent here.

The 29-year-old Brito stopped Manley, 27, in the 10th round of a scheduled 15-round fight on Wednesday. He floored the American in the ninth and in the 10th. It was Manley's first defense of the title.

Marsh, who has 25 victories and a draw in 26 fights, returns to work Friday at Tilbury fire station.

French Boxer Dies After Losing Bout

PARIS (IHT) — A 24-year-old French boxer, Jean-Claude Vincl, died after collapsing at the end of a bout he lost on points.

Vincl, from Marseille, died Tuesday night in a Rouen hospital. He had begun vomiting and complaining of a headache 30 minutes after his match last Friday against Lioeel Jean in Evreux. He later went into a coma. It was Vincl's third professional fight.

20 Arrested in England Soccer Riot

DERBY, England (AP) — Store windows were smashed and several police officers were slightly hurt as fans of Portsmouth's visiting soccer club went on a pregame rampage, authorities said Thursday.

Twenty persons were arrested in the attacks, which appeared to be racially motivated, according to the police.

A police spokesman said that Wednesday evening, 60 white Portsmouth soccer fans stormed into a social club in a black section of Derby, breaking windows and attacking 35 youths. The local youths chased the Portsmouth youths out of the club and into the streets.

For the Record

Anatoly Khrapaty of the Soviet Union set a world middle heavyweight weightlifting record at a competition in Lvov on Thursday. He clean-and-jerked 233.5 kilograms (513.7 pounds), half a kilogram better than the previous record, held by his compatriot Viktor Solodov. (APF)

ases in Iraq

It has been reported that Iraq has been suffering from a cholera epidemic. The disease has been spreading rapidly in the country, and many people have died. The Iraqi government has ordered a quarantine of the affected areas.

Farhol's Nury

Farhol's Nury, a prominent figure in the community, has been involved in several recent events. He has been seen at various public gatherings and has been the subject of media attention.

Political Role

The political role of Farhol's Nury has been a topic of discussion in recent months. His involvement in community affairs and his public statements have drawn the attention of political analysts.

ives, Hold

ives, Hold, a phrase that has become a part of the local vernacular, is often used to describe a situation where one is waiting for something to happen.

urrit Kill

urrit Kill, a recent event in the community, has been the subject of much speculation. The details of the incident are still unclear, and many people are waiting for more information.

Aid for Cancer

Aid for Cancer, a charity organization, has been successful in raising funds for cancer research. The organization has held several events and has received support from many individuals and businesses.

ate

ate, a word that has become a part of the local dialect, is often used to describe a situation where one is waiting for something to happen.

U.S. College Results

Table with columns for College Name, Location, and Results. Includes entries for Dartmouth, Illinois, and others.

In Texas, College Recruiting Scandal Is a Natural Son of King Football

By Petr Applebome
New York Times Service

HOUSTON—It's a long way geographically and culturally from the any west Texas oil town of Wink to Dallas.

But when David Barnett, athletic director of the 119-student Wink High School, views the recruiting fiasco rocking Dallas's Southern Methodist University and the entire Southwest Conference, he is not too surprised by what he sees.

"Football is the king of sports in west Texas," said Barnett, who said that about 35 of his school's 57 boys play on the team's varsity and junior varsity teams.

"This whole town will roll up the streets when the team is winning around here, and it's not much different anywhere else. The problems going on out there with the schools, they're with the alumni, but I don't think it will hurt the game. It's too important for that."

If the current recruiting scandals, which have by now dragged in Governor Bill Clements, have the wild feel of caricature to outsiders, within the state they seem uncomfortably true to life.

When he traveled around the nation to write "Travels with Charley" in 1962, John Steinbeck found Texas's obsession with football akin to a socially sanctioned form of military affairs.

"Sectional football games have the glory and the despair of war," he wrote, "and when a Texas team takes the field against a foreign state, it is an army with banners."

There are times such sentiments seem a quaint view of a rarer, younger Texas. But the current round of scandals is a reminder of how ingrained football is in Texas life, how high the stakes are, and how much like battle it can be for players on the field and for boosters off it, competing for the glory of their school and often of their city.

Those stakes partly explain the pervasiveness of recruiting violations in the Southwest Conference, where since 1985 the Texas Tech school with the exception of Rice University, a perennial doormat, has faced either NCAA penalties or internal investigations of recruiting violations. The only conference member outside Texas is the University of Arkansas.

Last week, the National Collegiate Athletic Association suspended SMU's football program for the 1987 season after the school was found guilty of repeated violations. Since then, violations have surfaced at Texas Tech, and its football program has been placed on probation for one year.

Clements said Tuesday that he and fellow members of the board of governors of SMU were aware of payments being made

to football players after the school was placed on NCAA probation in 1985.

The state's obsession with football is well known. This year Texas fielded 1,038 high school teams and a total of 170,114 varsity, junior varsity and junior high school players.

The football scandals are front-page news throughout the state, but it does not take a scandal to get attention. A few weeks ago at the height of the Iran-contra crisis, the banner headline across the front page of The Dallas Times Herald read, "Should Texas Stadium be named 'Landry Stadium'?" in honor of the Cowboys' coach, Tom Landry. Last fall, a Dallas columnist compared the shock of the Cowboys' ending a string of 20 consecutive seasons without a losing record to the trauma of the Kennedy assassination.

At the start of each season, the state's newspapers carry special football sections as thick as most Sunday newspapers.

Don Meredith, the former Cowboys quarterback and broadcaster, once said, "There's no ego trip in the world quite like being a high school football star in Texas." But there is another side to the coin. When the high school team in the town of Crosby got off to a bad start in 1983, Ronnie Davenport, the coach, and two assistants had to wear bulletproof vests to a game

after receiving telephoned death threats.

The recruiting wars are exacerbated because of the number of major colleges in the state competing for the same talent.

"If you're a star athlete you expect to be the object of a bidding war," said Paul Burka, a senior editor at Texas Monthly magazine.

A.C. Greene, a Dallas historian, said SMU's problems also resulted partly from the city's instincts.

"Dallas is not a thoughtful city," Greene said. "It's a can-do city. Instead of selling its academic reputation, the idea of success for the people who ran the school was something you could put a finger on right now. The school is run by people in Dallas who are very ambitious, and for them being ambitious reaches toward athletic success, and in Texas athletic success means football success."

Brad Carter, head of SMU's religious studies department, said the school's current debate in the midst of an aggressive effort to upgrade its academic standing reflected a broader conflict in the state.

"They wanted a great university without building a great university," he said. "They knew a lot about football, but not a lot about academia. It's a colonial mentality. You alternate between being belligerently Texan and then aggressively imitative of

the more advanced institutions like the Ivy League or California."

Calls for Inquiry

The New York Times reported from Dallas: At separate meetings Tuesday night and Wednesday, three governing councils at SMU agreed that further investigations were necessary into the controversy surrounding the football program.

"What we want to do is put everything behind us and get on with the business at hand," said William L. Hutchison, who recently took over as chairman of SMU's board of governors.

The board said it would ask the president of the College of Bishops of the South Central Jurisdiction of the United Methodist Church, Bishop John Russell, to "immediately appoint an external committee to investigate the matter."

Ernest T. Howe, president of the faculty senate, said the group was "asking the chairman of the board of governors to call a meeting of the board of trustees to investigate the role of the board of governors."

The student senate passed a resolution Tuesday night saying it was considering suing "all responsible parties and individuals for injury incurred upon the student body due to the handling of the football situation by the leadership" of SMU.

to speak the next morning to a group of kids a hundred miles away, and he'll drive half the night to get there on time. He has a hard time saying so."

Smith always wanted to be a pro athlete, but he wasn't counting on becoming a boxer.

round is like a world title fight." He worked as a prison guard at Burgaw, North Carolina, and also taught high school equivalency courses in math, social studies and reading to convicts.

Now, life has handed Smith a golden opportunity. He'll be

"Tyson, I think he carries too much weight for his frame. I'll take him into the eighth, ninth rounds and then watch him slow down."

— Bonecrusher Smith

SCOREBOARD

Table with columns for Sport, Team, and Score. Includes Basketball, Football, and Soccer results.

Table with columns for League, Team, and Score. Includes NBA Standings and NCAA Leaders.

Table with columns for League, Team, and Score. Includes PGA Leaders and U.S. College Results.

Table with columns for League, Team, and Score. Includes NHL Standings and Golf.

Table with columns for League, Team, and Score. Includes Hockey and Tennis.

European Soccer

CHAMPIONS CUP
Bayern Munich 5, Anderlecht 1 (1-0)
Real Saragossa 2, Real Madrid 2 (1-0)
Paris 1, Brondby 0

CUP WINNERS' CUP
Lokomotiv Leningrad 2, FC Inter 0
Borussia Dortmund 2, Borussia Dortmund 0
Malmeo versus Ajax Amsterdam postponed until March 14

UEFA CUP
IFK Gothenburg 3, Inter Milan 0
Borussia Mönchengladbach 3, Villarreal 0
Tottenham 2, FC Sion 0
Dundee United 1, Barcelona 0

Transition

BASEBALL
American League
CALIFORNIA—Signed DeWayne Bruce, pitcher, and Mark Pryor and Donnell Miller, outfielders, to one-year contracts.

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NEW YORKERS—Announced that Ed Hearn, catcher, Dave Magadan, third baseman, and

Tennis

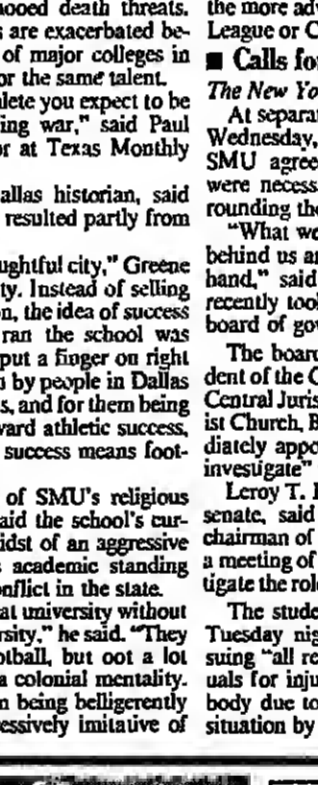
International Players Championships (At Kay Biscayne, Florida)
Men
Singles
Miklosy Mezir (19), Czechoslovakia, def. Stefan Edberg (23), Sweden, 3-6, 6-2, 6-3.

Women
Singles
Hana Mandlikova (14), Czechoslovakia, def. Helena Sukova (16), Czechoslovakia, 6-4, 6-3.

Hockey

Table with columns for League, Team, and Score. Includes NHL Standings and Hockey results.

Bayern Munich's Michael Rummenigge, right, passing Anderlecht's Georges Gruen in a first-leg quarterfinal match of the European Champions Cup. Bayern won, 5-0.



Bayern Munich's Michael Rummenigge, right, passing Anderlecht's Georges Gruen in a first-leg quarterfinal match of the European Champions Cup. Bayern won, 5-0.

European Soccer

CHAMPIONS CUP
Bayern Munich 5, Anderlecht 1 (1-0)
Real Saragossa 2, Real Madrid 2 (1-0)
Paris 1, Brondby 0

CUP WINNERS' CUP
Lokomotiv Leningrad 2, FC Inter 0
Borussia Dortmund 2, Borussia Dortmund 0
Malmeo versus Ajax Amsterdam postponed until March 14

UEFA CUP
IFK Gothenburg 3, Inter Milan 0
Borussia Mönchengladbach 3, Villarreal 0
Tottenham 2, FC Sion 0
Dundee United 1, Barcelona 0

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OBSERVER

Fire in the White House

By Russell Baker
NEW YORK—Conversations for one: "Isn't it amazing?" "Howard Baker's fantastic qualifications for public office?"

"O.K., you ask me was it not amazing? I tell you: It was not amazing." "So, Mister Seen-It-All, eh?" "Not Mister Seen-It-All. Mister Read-It-All. Look, if I read 'Robinson Crusoe,' you read 'Robinson Crusoe.'"

"You're saying Howard Baker is Robinson Crusoe?" "Of course he's not Crusoe. He's not even Friday. He's the island." "You've got me thinking shipwreck."

"Shipwreck and doom. Worst storm since they invented the TV weatherman who wouldn't tell you if it was going to rain or shine until you'd sat through five more messages."

"Mario, you mean?" "Don't first-name him. First-naming famous guys you don't know is nekultury."

"And everybody thinks the game is up. It's all over, curtains." "Prayers being said all over the deck. You know the scene from those old shipwreck movies. Everybody praying. 'Save us, O Laxari! Save us, O Laxari! That Great Republican! But it's no dice. The ancient vision of the angry Prophet Buchanan is being fulfilled: The Shipster of State is being abandoned by the crew he succored.'"

"But Howard Baker?" "The island. Crusoe is cast into the angry sea and wakes up to find himself still alive. A convenient island has intervened."

"An island ex machina." "No Latin, please. You could get us accused of elitism. Whatever it's called, the island creates instant euphoria. If Crusoe has seen this island on maps before, it's never impressed him. He probably said, 'His palm trees don't have fire in the coconuts.' But now, suddenly, it is the greatest island ever known."

"Sure. Waking up alive when you expected to wake up dead tends to elevate the mood, but why does Baker want to be the island that saved Reagan?" "Gives him an excuse not to run for president himself, thus eliminating even a remote chance he could win. Now tell me: Why is he afraid of that?"

"Easy if you realize Reagan is really the new Calvin Coolidge. After Calvin Coolidge comes Herbert Hoover."

Rembrandt Without Cant

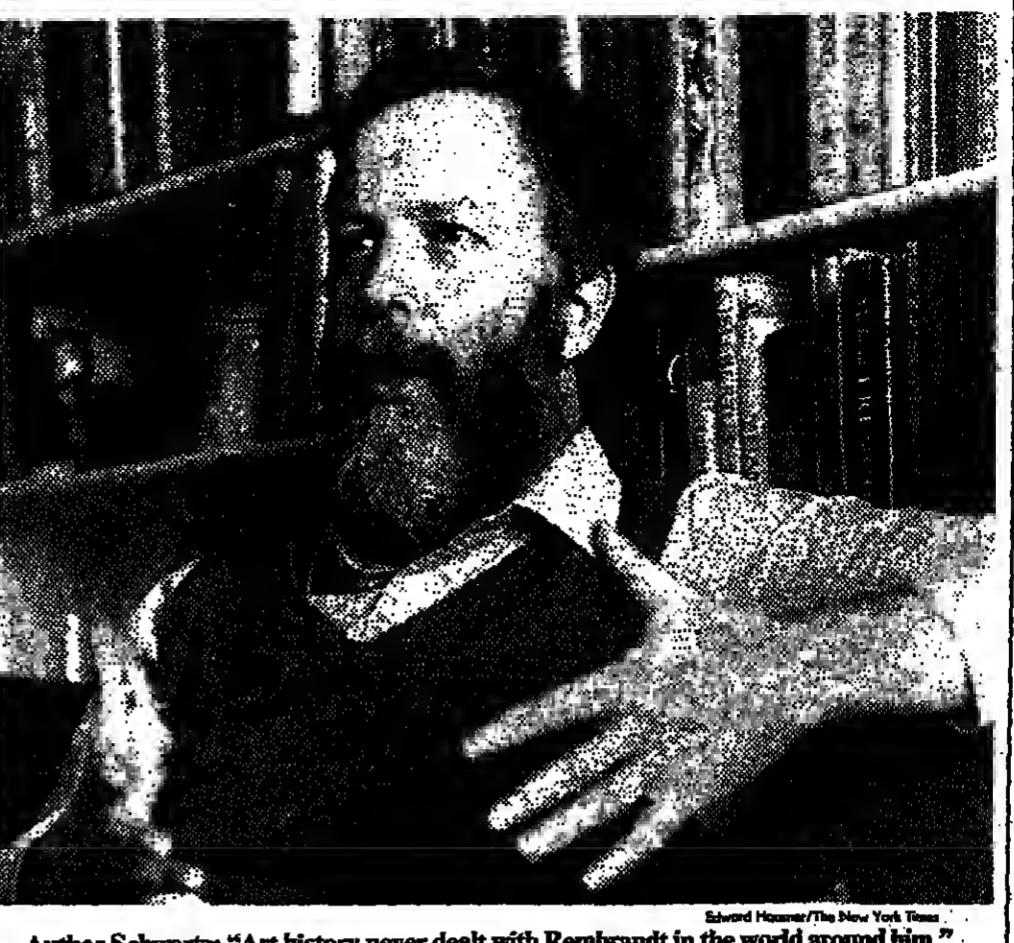
By Michael Brenson
New York Times Service

NEW YORK—Of the 30 art historians and art conservators invited to the Museum of Fine Arts in Boston in February to discuss the issues that have turned Rembrandt into a household name, the most unconventional may have been Gary Schwartz. He is a Rembrandt scholar without a Ph.D. and without a university or museum affiliation. He is an American who has been living in the Netherlands since 1965, whose revisionist biography, "Rembrandt: His Life, His Paintings," published in the United States last year, was translated into Dutch by his wife as he was writing it.

meticulous observation of such stylistic features as the touch and movement of the artist's brush. Schwartz is convinced that the most productive way to approach Rembrandt now is in the context of his time. His book discusses the social, political and religious controversies of the Netherlands in the 17th century, its literary and intellectual climate, and the struggle among artists for favor and fortune. Most of all, it considers the role of patronage. Many patrons were key players in the religious and political life of the age. They had a great deal to do not just with the choice of subject but also with the size of a painting and sometimes with its style. "Art is embedded in its society," Schwartz said.

Convinced that the picture that has been painted of Rembrandt as a great humanitarian and absolutely original creative genius was in no way supported by historical evidence, Schwartz attacked it with all the archival ammunition he can muster. The artist who emerges from his detailed, unempathetic, occasionally angry, monograph is competitive, self-centered, greedy, not particularly well-read, sometimes malodorous and in every way part of his age. Instead of approaching art largely on the basis of visual evidence provided by the work, many art historians are now considering art almost entirely within what they can determine of its social and political context. "Art history has always swung between contextual and visual orientations," Schwartz said, "but it has never dealt with Rembrandt in the world around him."

He entered New York University at the age of 16 and made art history his major. He was a graduate student at Johns Hopkins University, where he specialized in medieval art. For Adolf Katzenellenbogen, the chairman of the department, the artist described by Schwartz as the "Moby-Dick of Dutch art" was an ideal. "Naturally Rembrandt came out the winner in all the comparisons," Schwartz said. "It was a foregone conclusion. He served as a model for everything art could be. Some of the greatest values of Western civilization were embodied in his work and person."



Author Schwartz: "Art history never dealt with Rembrandt in the world around him."

beauty made me feel so much at home. Holland was a fulfillment of all the social and political values I had been raised to respect—tolerance, fair play, the rule of law, social justice—which I didn't feel were embodied any longer in America."

J.A. Emmens, the author of "Rembrandt and the Rules of Art," whose approach was more contextual. "The circle around Emmens was fundamentally concerned with the intellectual judgments that go into the prevailing opinions of an age," Schwartz said.

now also do justice to what it is that may enable art to live on for centuries after it is made. The split between the experience of art and a historical approach to it, which has almost always been present in art history, is severe. "I wanted to find a way to deal with this emotion that came over me in front of the work," Schwartz said, describing why he became a Rembrandt scholar. "I wanted to account for how Rembrandt came to have the power to evoke something so large. When asked if his book had enabled him to define the emotion, he replied, 'Insufficiently.'"

PEOPLE

Stanley L. Jaki Will Get \$330,000 Religion Prize

The Reverend Stanley L. Jaki, 62, a scholar in theology and philosophy, won the \$330,000 Templeton prize for progress in religion. Jaki of Seton Hall University in South Orange, New Jersey, and the Institute for Advanced Studies at Princeton University, was cited for illuminating links of science, culture and religion. This year's prize, which exceeds the current amount of Nobel prizes by \$60,000, is presented by Prince Philip, a member of the Benedictine order of Roman Catholic monks, has taught and researched physics and the history and philosophy of science at Princeton and Seton Hall since 1961, and briefly at Yale University. Born in Győr, Hungary, he studied in Rome and went to the United States in 1950. He is the author of a dozen books on physics, the mind and computers, astronomy, creation, science and the evidences of God.

Prince Philip has launched an appeal for \$2.2 million to help save wild pandas in China.

Prince Philip has launched an appeal for \$2.2 million to help save wild pandas in China. "Today, the panda is in its last stronghold. It has nowhere else to go, said Philip, who is president of the World Wildlife Fund.

Harry Belafonte plans to travel to Senegal this month in his assignment as a goodwill ambassador for the United Nations Children's Fund.

Harry Belafonte plans to travel to Senegal this month in his assignment as a goodwill ambassador for the United Nations Children's Fund. The 60-year-old singer-actor was selected Wednesday to take the post held by Danny Kaye, who died Tuesday. He said he would help African countries complete immunization of children against diseases such as polio and measles.

Penthouse Magazine has offered to pay OWB \$500,000 to make a movie.

Penthouse Magazine has offered to pay OWB \$500,000 to make a movie. Her friends say she is also receiving television, film and modeling offers. So far, they say, she is not interested. "She thought the Penthouse offer was disgusting," said F. Andrew Messing Jr., a conservative activist and friend. He also is upset that pictures of her taken for a corporate brochure wound up on the cover of an escort service's brochure, according to reports published in the New York Post and Daily News.

LAND YOUR DREAM... REAL ESTATE OF ALL KINDS AND IN ALL PLACES IN FRIDAYS INTERNATIONAL REAL ESTATE TODAY ON PAGE 13

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